



TODAY'S WEATHER—PARIS: Cloudy, occasional rain. Temp. 46-51. Tomorrow: High 51, low 41. Wind: 10-15. Precipitation: 0.01. LONDON: Partly cloudy. Temp. 48-51. Tomorrow: High 51, low 41. Wind: 10-15. Precipitation: 0.01. NEW YORK: Partly cloudy. Temp. 48-51. Tomorrow: High 51, low 41. Wind: 10-15. Precipitation: 0.01.

Austria	1.50	Switzerland	1.50
Belgium	1.50	Denmark	1.50
Canada	1.50	France	1.50
Germany	1.50	Greece	1.50
Italy	1.50	Japan	1.50
Netherlands	1.50	Portugal	1.50
Spain	1.50	Sweden	1.50
United Kingdom	1.50	United States	1.50
West Germany	1.50	Yugoslavia	1.50

More Power Cuts Beset U.K.; Panel Finding Awaited

LONDON, Feb. 16 (Reuters).—The official inquiry charged with finding a way to end the 38-day-old national coal strike started on its verdict tonight as Britain suffered the worst effects of the walkout.

Primed Bomb's Defused on Belfast Ferry

1st Soldier Slain; His Driver Murdered

BELFAST, Feb. 16 (UPI).—A bomb-disposal expert today defused a 40-pound charge of explosives aboard a ferry packed with British troops reinforcements in Northern Ireland.

An army spokesman said the bomb was primed to explode at 10 minutes when the ferry, the *Argyll*, docked at Belfast, bringing troops from Liverpool. Security forces cordoned off the area and an army demolition unit rushed aboard the ferry and to work seconds after the bomb landed. The spokesman said the bomb was defused. The *Argyll*, which had been sighted from Haysam, at Liverpool.

Unofficial sources said at least 10 soldiers, including a Northern Ireland on four-month replacement duty for another unit, were on the ferry. Tonight, a British soldier was killed in an ambush by terrorist men on a highway near Belfast. Army headquarters in Northern Ireland.

Irs. Gandhi Welcomes Idea of Indian Dialogue With U.S.

By C. L. Sulzberger

NEW DELHI, Feb. 16 (Delayed).—Prime Minister Indira Gandhi has declared that her country's foreign policy remains only based on the principle of alignment despite the Indian-U.S. friendship treaty of last year.

Indira Gandhi, the prime minister of India, is anxious to improve relations with other nations. She said that she "would like to have a dialogue" with the United States.

During an extensive interview, she went out of her way to say that she "would like to have a dialogue" with the United States.

She would welcome efforts to a new start, Mrs. Gandhi said in response to a question if President Nixon's suggestion that a dialogue be started between the United States and India.

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Egyptian President Anwar Sadat delivering his speech yesterday at a party congress.

Sadat Says He Is Ready to Resign If Nation Questions His Leadership

CAIRO, Feb. 16 (UPI).—President Anwar Sadat said today he was ready to resign unless the nation endorsed his policies.

"I will give up my post if I feel at any moment that the confidence in the political leadership is being questioned," the president told an emergency meeting of the national congress of the Arab Socialist Union.

In an address carried live by radio and television, he said: "Now, I have told you what I have to say and wait to hear from you."

Arab diplomatic observers in Beirut said the president was virtually certain to receive overwhelming support from the 1,500 members of the congress, which forms Egypt's highest policy-making group.

Mr. Sadat's dramatic gesture followed last month's student demonstrations in support of war with Israel, a tougher policy against the United States and an end to the no-war-no-peace conditions which have prevailed since the 1967 war.

The president did not outline any new move toward the war which he recently told soldiers was "inevitable" or toward negotiations, which he stressed following his talks earlier this month in Moscow.

Of these he said: "My talks in the Soviet Union achieved great success. Great efforts lie ahead of us in order to absorb advanced weapons. This effort should be superhuman, if necessary. We have weapons and we shall have more weapons."

The diplomatic observers said this indicated Russia had agreed during the Moscow talks to give Egypt more advanced military equipment.

Mr. Sadat criticized the United States for escalating the Middle East crisis following its "defeat" in the Indo-Pakistan war. He accused it of going as far as to "foment the current unrest on Cyprus."

Against the backdrop of the Middle East crisis, Mr. Sadat said, "This is aimed against us." Mr. Sadat said, "and against the Soviet Union."

Washington has threatened all Middle East peace efforts, the president said, and "the United States has gone a long way" in its adoption of Israel's views and ignoring Arab rights.

He repeated several times, "The American mood requires more caution on our part."

The president said Egypt continued to adhere to United Nations peace efforts because "we believe in the force of law, not the law of force."

Cairo, however, cannot "remain suspended in the air, between the situation of no war and no peace," he added.

Should hostilities resume, he said, "I promise you that if we suffer, then the enemy will suffer. We will force him to shoulder greater losses in his rear lines, if he attacks us in depth."

Israelis Pleased
JERUSALEM, Feb. 16 (UPI).—In his speech today, Mr. Sadat did not reject negotiations for a special agreement to reopen the Suez Canal, Israeli officials said.

Sadat's speech did not close the door to a separate agreement on the Suez Canal, and that makes us pleased, one official said.

Connally Tells Congressmen No Gold Convertibility For Dollar This Year

By Hobart Rowen

WASHINGTON, Feb. 16 (UPI).—Treasury Secretary John B. Connally today served a warning that the domestic needs of the American economy have top priority in economic policy-making by the Nixon administration.

As a result, he told the Joint Economic Committee of Congress, "our main problem is to bring down interest rates."

At the same time, he said that there "will be no convertibility of the dollar this year," and refused to indicate a time that convertibility of any kind will be considered by the United States.

Mr. Connally's statement on interest rates came in response to a question for his reaction to recent criticism by former Under Secretary of the Treasury Robert V. Roosa that the low-interest policy here may be "torpedoing" the Dec. 18 agreement on realigning currency rates.

Mr. Roosa had argued that low interest rates were discouraging a reflow of dollars, and thus had created questions in Europe about the durability of the December agreement.

"Our main problem in this country is to bring down interest rates," Mr. Connally said. "There is more to think about than what the international bankers and the bankers in Europe are concerned about."

"The thing we need in this country is continued pressure to bring down interest rates, not particularly the short-term rates, but intermediate rates and long-term rates, which are still too high."

"The only way is to keep fighting the idea that we are inevitably linked with inflation. If we can ever get this idea across, we will squeeze inflation out of interest rates and they will come down."

The administration is hoping that a lower interest-rate pattern will stimulate domestic investment, thus improving the prospects for reducing unemployment at home. Mr. Connally said he recognized that the "great disparity" in interest rates here and



John B. Connally

that the U.S. government could do to promote stability in international financial markets is to get our own house in order."

But Mr. Connally firmly rejected Mr. Roosa's implied suggestion that the U.S. government begin to deal immediately with what the congressman described as "a \$50-billion outflow in foreign hands."

Mr. Connally said that "we recognize that we live in a family of nations and we are aware that the outflow of dollars creates problems for other governments."

But he said he had told other governments at the time of the Smithsonian agreement in December that "we're not going to make the dollar convertible, and if they were asking for convertibility, we would have to ask for three times the realignment that we got."

"It would be sheer folly," he insisted. "We'd be back in the same trap."

But he did promise that "we'll make a start" on restructuring the international monetary system and the agencies that manage it.

(Continued on Page 2, Col. 1)

U.S. Bombers Strike in North; Hanoi Claims Two Shot Down

SAIGON, Feb. 16 (AP).—American warplanes launched a substantial number of air strikes inside North Vietnam today, U.S. military sources said.

"The Hanoi radio charged today that several flights of U.S. planes 'bombed and strafed a number of populated areas' in two districts 'of southernmost Quang Binh province, just north of the Demilitarized Zone, and that two jets were shot down.'"

The U.S. command disclaimed any knowledge of the raids. [The broadcast, United Press International reported, said that "a number of U.S. handoff pilots were captured."]

The U.S. command said the strikes were in North Vietnam's "demilitarized zone" that separates the two Vietnams at the 17th parallel, but declined to disclose the targets. They said there may have been some raids north of the DMZ also, but withheld details pending an official announcement from the U.S. command.

"There were protective reaction strikes and other strikes involved," said one informant, "but I can't give you the number."

He said the raids were beyond the usual one or two "protective reaction" strikes frequently reported.

Meanwhile, allied intelligence projections indicate a 70 percent increase in North Vietnamese troop infiltration into South Vietnam and just across its western border during the first five months of this year, compared to the same period last year, U.S. military sources said today.

The sources also indicated that a reinforced armada of American warplanes would be kept roaming across Indochina launching heavy

Agnew Unsure About Running

NEW YORK, Feb. 16 (Reuters).—Vice-President Agnew said today he had not yet decided whether to run for reelection this year and confirmed he would bow out if he thought he would hamper President Nixon's prospects at the polls in November.

In a taped broadcast interview, Mr. Agnew, a former governor of Maryland and a lawyer by profession, said he would have no interest in being appointed to a Supreme Court vacancy if he stepped down.

"If I go out, I'll go back to private life," he said.

Arrives in Peking on Monday Nixon Off Today for Visit to China

By Stanley Karnow

WASHINGTON, Feb. 16 (UPI).—President Nixon leaves Washington tomorrow on the first leg of a trip to China that he originally called "a journey for peace."

The President will be accompanied by Mrs. Nixon and a small official party that will include Secretary of State William P. Rogers, Henry A. Kissinger, the White House national security adviser, and H. R. Haldeman, the President's special assistant.

Three interpreters are also going, Mr. Kissinger did not take interpreters on his preparatory trip to Peking in July and October, reportedly to maintain tight security.

Before leaving, the President will brief Democratic and Republican leaders of the House and Senate, then will be given a gala send-off at a ceremony on the White House south lawn.

Following the visit, it was announced today, Marshall Green, Assistant Secretary of State for East Asian and Pacific Affairs, and John Holdridge, a senior member of the National Security Council staff, will visit other Asian countries to report on the Peking meetings. They are accompanying Mr. Nixon to China. Then they will go to Japan, South Korea, Taiwan, the Philip-

pines, South Vietnam, Thailand, Indonesia, Australia and New Zealand.

After stops in Honolulu and Guam, the President and his party will reach Peking Monday. The arrival, which will be televised by satellite to the United States, will include a welcome by Premier Chou En-lai and other senior Chinese officials. There is speculation whether the Chinese Communist party chairman, Mao Tse-tung, will also greet Mr. Nixon at the airport.

The President will spend five days of his eight-day visit to China in Peking. He will also visit

the scenic resort of Hangchow, where the Chinese Communist party was founded in 1921, and the coastal metropolis of Shanghai, regarded as the center of China's most active political radicals.

Mr. Nixon will devote most of his time to talks with chairman Mao, Chou and other Chinese officials. But he will also see such celebrated sights as the Great Wall, the Forbidden City and the tombs of the Ming Dynasty emperors, who ruled China from the 13th to 17th centuries.

The major sightseeing will be done by Mrs. Nixon, who is scheduled to visit schools, a children's hospital, a glassware factory, a petrochemical plant and a collective farm.

A California businessman who returned home from a month in China last week reported that the Chinese had removed slogans and other propaganda that might offend the American visitors.

Freed on \$250,000 Personal Recognizance Bond Mrs. Irving Is Arrested in N.Y. for Swiss

NEW YORK, Feb. 16 (AP).—Mrs. Clifford Irving was arrested at the federal courthouse today on a charge of being a fugitive from Swiss justice in the Howard Hughes disputed "autobiography" case.

The Swiss government has charged her with "concocting, forging and larceny in connection with her alleged role in her husband's book about the multimillionaire reclus.

"Smiling" and composed, Edith Irving arrived at the courthouse at 11:10 a.m., 10 minutes late, and went directly before a U.S. magistrate.

She was fingerprinted, ordered to turn over her passport and was told she would be released on a \$250,000 personal recognizance bond.

During the courtroom appearance, her smiles disappeared. Under the terms of the personal recognizance bond, Mrs. Irving does not have to put up any money since her signature is considered sufficient. But if she did not meet its conditions, she would be liable to pay the full amount.

Her lawyer, Maurice Nessen, called the \$250,000 amount "inordinate and unnecessary." He argued that Mrs. Irving, 37, is already under subpoena to a Manhattan federal grand jury

and that "she has met every court appearance."

Mr. Nessen told the court that almost 40 newsmen listened and seven U.S. marshals watched. "Her assets, as you may know, have been tied up."

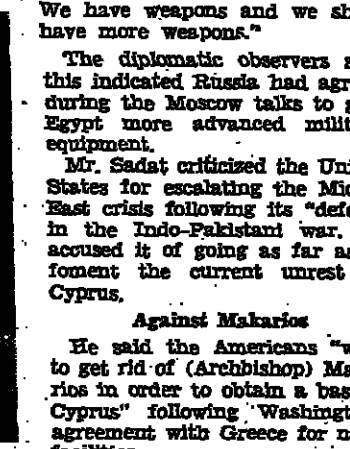
Preliminary hearings in her case were set for March 2.

Documents Seized
TUCSON, Ariz., Feb. 16 (AP).—Marjell Jean Delaney, a former public relations officer for Howard Hughes Enterprises, said her home was ransacked Friday night, apparently by someone looking for documents.

She said a number of documents had been taken, but nothing else was missing. She did not say where she obtained the documents.

Mrs. Delaney said yesterday she had been subpoenaed to appear before the New York grand jury investigating Mr. Irving and added that she was afraid to say anything more.

She said she once had about 300 documents relating to Mr. Hughes, but not all were taken when her home was ransacked.

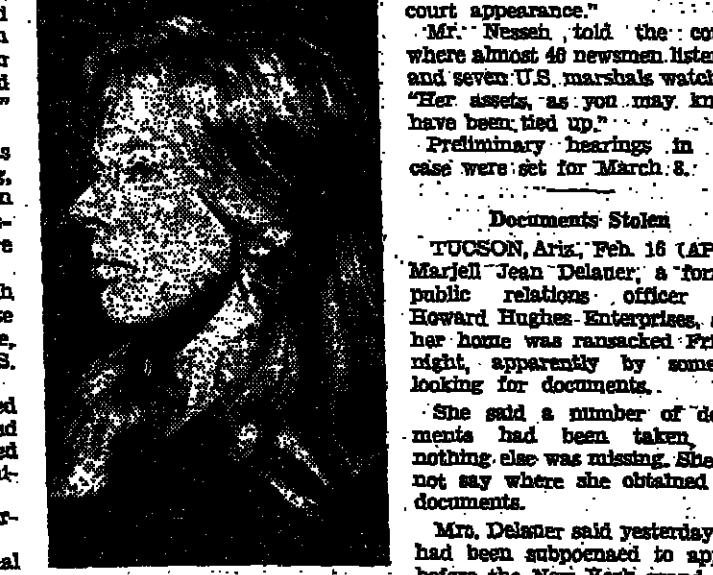


Mohammed Sadek

the nation through a difficult period in the wake of student riots Jan. 24 and Jan. 25.

The sources noted that the semi-official Cairo newspaper *Al-Ahram* announced last Sunday that air force commander Air Vice-Marshal Ali Fahmy, naval commander Rear Adm. Mohamed Fahmy and air defense commander Gen. Mohamed Ali Fahmy were appointed deputy war ministers.

This would permit any one of them to deal with the Soviet experts at ministerial level, they said.



Edith Irving

Hanoi Aides in Paris Won't See Her

POW's Wife Fears Code Says He's Dying

PARIS, Feb. 16 (AP)—"Say hello to Paul and his family and tell him to start working on my new fiber-glass vault... Love always, Jack."

This cryptic line in a letter from a prisoner of war in a North Vietnamese camp has convinced Ruth Bomar that her husband, Lt. Col. Jack W. Bomar, 45, is dying from a kidney ailment.

Mrs. Bomar, who is from Mesa, Ariz., received the letter Jan. 11. Her husband, who was an Air Force navigator based in Thailand, was shot down over North Vietnam on Feb. 4, 1967.

He was aware that he had a kidney ailment and so was the Air Force. But he was permitted to fly on a one-year "waiver" because the ailment did not require therapy then.

Letter in 1969

In Paris in a vain attempt to see North Vietnamese officials, Mrs. Bomar said, "Back in 1969 I had a letter and my husband said, 'Have Paul-Paul in his brother, he's in the fiber-glass business and builds boats—he said Paul should build him a fiber-glass rocking chair.'"

"At the time I didn't associate it with his kidneys. I thought maybe they didn't get any exercise. I figured that when he got home he would want a rocking chair... and wouldn't be able to do anything for awhile..."

Then a letter dated last Dec. 13 came. "My health is fair, honey," it said. "Enjoy boys high school days." The Bomars have children in high school but Mrs. Bomar thinks her husband was telling her he was in a "daze"—sick.

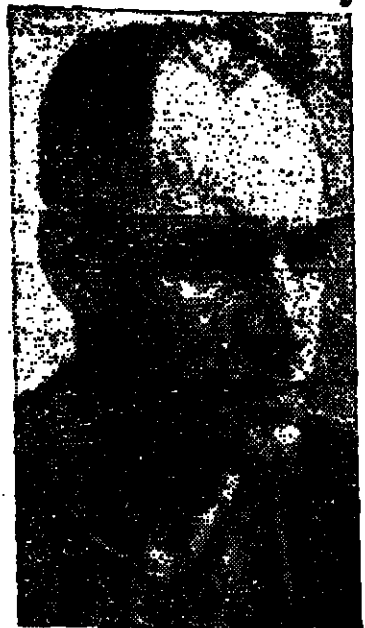
Then the letter said, "Tell Paul to cancel fiber-glass rocking chair and build me a fiber-glass wheel-chair."

"Say Hello to Paul"

The Jan. 11 letter said, "No hum, another year down the drain... Say hello to Paul and his family... and to start working on my new fiber-glass vault."

Mrs. Bomar said, "He's saying if he doesn't get help, he's going to be in a casket. I feel from this letter that he is trying to tell me and our government that if something isn't done that he won't make it home, that he is dying."

She added that since the last letter she had contacted Red Cross and U.S. officials in 144th Bonn F-104 Crash



Lt. Col. Jack Bomar



Mrs. Bomar

Washington and U.S. officials in Paris, and had attempted without success to see North Vietnamese officials here. She said the Red Cross had sent two messages to Hanoi, but had received no response. The Red Cross offered to provide an artificial kidney machine and technicians to operate it, she said.

Faced with refusal of the North Vietnamese to see her, Mrs. Bomar decided to make public her worries about her husband. Asked if she was not concerned that revelation of her husband's

correspondence would cause him harm, she said, "Hanoi knows and we know that my husband needs medical attention. So I want the whole world to know. I don't think anything at this stage would hurt. I feel that time is running out for my husband."

The U.S. delegation to the Vietnam peace talks said Mrs. Bomar had attempted over six days to see the North Vietnamese delegation, but could not get an appointment. Attempts to reach the North Vietnamese delegation for comment failed.

Bomb on Ferry to Belfast

(Continued from Page 1)

bombs from an embankment above the highway at two army Land Rovers returning to headquarters at Lisburn, near Belfast, an army spokesman said.

"There was no warning, just suddenly a hail of gunfire from the embankment and several bombs," the spokesman said. "The drivers gave the vehicles full speed and escaped the ambush with no further casualties," the spokesman said.

Passengers on the Londonderry bus told of at least two men attacking the driver as the vehicle stopped in the city's Catholic Creggan Housing Estate and dragging him out at gunpoint, police said.

A short time later the man's body, shot through the head, was dumped in front of a British Army post in the nearby Brandywell area from a speeding car.

In Newry, near the border with the Irish Republic, a magistrate adjourned cases against a Roman Catholic member of the

British Parliament from Ulster, Bernadette Devlin, and 25 other persons accused of defying a government ban on marches.

Earlier, British troops found a 19-year-old boy tarred and feathered, lying in the middle of a country road outside Lurgan. An army spokesman said it looked like IRA work.

"It looks like the IRA held a mass kangaroo court somewhere in the city... This is obviously the work of an IRA punishment squad," he said.

Hillery Holds Talks In Belgium, Holland

BRUSSELS, Feb. 16 (Reuters).—Irish External Affairs Minister Patrick Hillery today explained his government's views on the situation in Northern Ireland in talks here with Belgian Foreign Minister Pierre Harmel. Later he went on to The Hague for similar talks with Dutch Foreign Minister Norbert Schmelzer.

U.S. Bombers Strike North In New Raids

Hanoi Claims Two Were Shot Down

(Continued from Page 1)

nam's Central Highlands, where it joins with the borders of Laos and Cambodia, and where U.S. officials have been predicting a major offensive.

It was disclosed that allied troops captured a document in the past few days in coastal Binh Dinh Province indicating still a new date for a major offensive.

The document indicates a postponement of any offensive in Binh Dinh until June or July because the Viet Cong feel they do not have enough resources to make a big impact now, sources said.

The U.S. command reported 48 air strikes by tactical fighter-bombers against Communist positions in South Vietnam during the first 12 hours after the end of the 24-hour allied cease-fire at 6 p.m. Tuesday.

The latest series of raids, curtailed by the allied cease-fire, raised to 1,070 the total number of tactical fighter-bomber and B-52 strikes reported against Communist infiltration routes and staging areas in South Vietnam since last Wednesday.

The raids are the most intense in South Vietnam in 18 months.

Carrier to Sail Early

WASHINGTON, Feb. 16 (Reuters).—The 75,000-ton aircraft carrier Kitty Hawk is sailing from San Diego tomorrow to boost U.S. air power attacking infiltration routes into South Vietnam, the Defense Department said today.

The ship, which carries 70 planes, is leaving a month earlier than planned, Pentagon spokesman Jerry Friedman told reporters.

Three carriers—the Coral Sea, the Hancock and the Constellation—are already stationed off South Vietnam.

Counterattack in Cambodia

PHNOM PENH, Feb. 16 (Reuters).—Communist forces launched a fierce counter-offensive today against Cambodian troops threatening their sanctuaries in the sacred city of Angkor.

The battle continued until dusk on the eastern flank of the Cambodian drive against the Communist strongholds in the Angkor temple, the Cambodian military command reported.

Until today, the Communists had merely been lobbing mortar rounds and shells and aiming



ONE MORE VICTIM—A Cambodian soldier holding up one of his comrades who was wounded in fighting near the historic ruins of the ancient Angkor Wat temple complex.

Mrs. Gandhi Welcomes Idea Of Indian Dialogue With U.S.

(Continued from Page 1)

or noninvolvement. For us non-alignment only means that we don't belong to any military bloc.

"We started this policy of ours when there were two military blocs in the world. Things have changed since then but our policy remains the same."

"We reserve the right to make our own judgments and to make our own decisions despite what other countries may wish."

Mrs. Gandhi made it clear that Indian insistence on non-alignment also includes a desire for improved relations with China, which has long been regarded as an adversary. The two nations fought a brief war in a border dispute in 1962.

"We would also like normal relations with China," Mrs. Gandhi said. "They are not warm now—but they are not really any worse today than they

were before, for quite a long time."

The prime minister reserved comment on the visit to Peking of President Nixon.

She said she thought that American policy toward India had changed—plainly meaning for the worse—"when your policy toward China changed." But she added:

"I think the United States always has had difficulty in understanding India. Western nations have a habit of regarding the West as the center of the world. But obviously we can't see always through the same eyes. And even when the United States spoke of supporting India, it was arming Pakistan."

Mrs. Gandhi insisted that the creation of an independent Bangladesh would in no way enhance the left-wing forces known to exist in the eastern Indian provinces of Assam and West Bengal or help them to endanger Indian unity. She claimed that there were fewer left-wing extremists in Bangladesh than in India so that its birth as a new nation in no way affected the problem of this country.

However, she thought that the pro-Chinese Marxist revolutionary movement and the pro-Chinese wing of India's Communist party were less menacing now than they were last year because the public was at last ignoring their threats and testifying in court against Maoists charged with criminal acts.

She insisted that India had no plan to break up West Pakistan and had never had such a plan during the recent war. The only official strategy then, she said, was "a holding operation" on the western front.

She professed to wish a strong and independent Pakistan (meaning, of course, only West Pakistan) but "this cannot come about except on the basis of friendship with India."

She believed that Bangladesh would be able to start off with a logical economic base linked closely to India by common needs and shared river systems. She wished that the Indian Government would be kept free of superpower naval rivalry but was frankly skeptical about how this could be achieved.

Rival Guerrillas Stage Gunfight In Dacca Center.

DACCA, Feb. 16 (UPI).—Two rival groups of former Mujib Bahini guerrillas shot it out in downtown Dacca today, and it took the police, the army and the prime minister himself to restore peace.

One policeman was reported killed when an unknown number of persons injured in the gunfight.

The shooting broke out about 8 a.m. in Dhanmondi, a residential area that adjoins the Bangladesh government's recruitment center and training camp for the national militia. The cause of the fighting was not established, but residents said it resulted from an argument at the recruitment station.

Residents said the police were called when the shooting began, and asked for help from the army. Sheikh Mujibur Rahman, the prime minister, went to the camp in the afternoon, collected the guns of the quarreling factions and brought the incident to a close.

Waldheim Appeals for Funds For UN Bangladesh Relief

UNITED NATIONS, N.Y., Feb. 16 (WP).—Secretary-General Kurt Waldheim detailed today a massive UN relief program for Bangladesh, and appealed for \$665 million in contributions, needed before the end of 1972 just to meet the most immediate needs of the area so as to avert large-scale misery and hunger.

"Never in the history of the UN has international assistance been needed so urgently and in such great amounts," Mr. Waldheim said.

His report was, in effect, a blueprint for the assumption by the UN of responsibility for virtually the entire task of food distribution and refugee resettlement in Bangladesh, which is not even a UN member and is not mentioned by name in the seven pages of statistical data.

The UN, according to the report, has taken on the major share of the task of replenishing food stocks in Bangladesh with its fleet of leased ships, of clearing major ports and of clearing internal waterways essential to the distribution of supplies, of trucking, flying and shipping supplies from the ports into the interior, and of setting up local distribution points.

A major part of the aid will have to come from the United States if the UN is to match its acts to its blueprint. Although Washington has not yet recognized Bangladesh, U.S. officials have given Mr. Waldheim a pledge of their support of the UN effort in principle.

The approvals were for machine tools and similar equipment. The department did not release the names of the firms involved.

A department spokesman said the firms are still engaged in competitive bidding for the project and the dollar amount in licenses does not necessarily represent final investment plans.

On domestic matters, Mr. Connally said that the administration had no plans to ask for a value-added tax or any other tax during this calendar year. He reiterated statements by other administration officials that the administration's projections for economic growth and reduced unemployment were realistic.

He said that the government's budget deficit of almost \$39 billion this fiscal year and \$35 billion next year "will not impinge on overloaded credit markets."

Mr. Connally disclosed a confidential staff paper produced by a Treasury economist which said that "over the next few years a 4 percent unemployment rate as a national goal is not feasible without significant inflation."

Committee chairman William French, D. Wis., caught Mr. Connally off guard when he cited the Treasury staff document. Mr. Connally said that it "does not have the stamp of approval of the Treasury Department."

Although Mr. Connally defended a 4 percent as a goal, he conceded that "to reach it without inflation will be very difficult. We shouldn't kid ourselves that it will be easy."

Housing Starts Rise

WASHINGTON, Feb. 16 (Reuters).—Housing starts rose 4.8 percent in January from December to a record seasonally adjusted annual rate of 2.5 million, the Commerce Department reported today.

Malraux's Counsel to Nixon: Use 'Political Talent' on Mao

By Ronald Koven

WASHINGTON, Feb. 16 (WP).—President Nixon will have the same problem deciding whether Mao Tse-tung is serious with him or is stringing him along as does a man trying to tell whether a woman means it when she says she loves him, according to Andre Malraux.

"Political talent" is the way one knows the difference, Mr. Malraux, 70, said yesterday. "A great leader can understand when he is being fooled, and a bad one does not know it."

This was the French writer's conclusion to an hour-long news conference in which he said that Mr. Nixon should be prepared to offer Chairman Mao something like a Marshall Plan for China and that anything else would be "meaningless talk."

Mr. Malraux said that Chairman Mao told him in 1965 that, with only 10 percent of China's arable land still uncultivated, the only way for China to raise its standard of living is to industrialize and that the only country that could assist in this was the United States "since I cannot repay for 25 or 30 years."

"Is the richest country ready to help the poorest?" is the way Mr. Malraux summed it up.

Key Determination

Answering his own question, he said that he got the impression from his conversation with Mr. Nixon here Monday that the President is ready to do so if he determines that Chairman Mao means business.

Mr. Malraux said that he had advised Mr. Nixon that in making that assessment it would be "a mistake to take this as a conversation between Catholics and Protestants at the time of the wars of religion—it's a conversation between Catholics and Protestants today."

Speaking at his press conference in the green-and-gilt Louis XVI salon of the French Embassy residence, Mr. Malraux, who was in China in the 1930s during the civil war, stressed his belief that Chinese revolutionary fervor had shifted from the struggle against imperialism to the struggle for a highest standard of living.

"The Chinese," he said, "are absolutely not interested in their own international revolutionary speeches. What have they done? Nothing in Vietnam. Nothing in Pakistan. Some little roads... Let's be serious. We're the ones who say they're dangerous, because of a few students."

As for the U.S. presence in Indochina, he dismissed that as "no longer important" now that "no one believes any more" that the Americans are there to push back Chinese Communism. As a

matter of fact, Mr. Malraux said, the Chinese do not want peace in Indochina because they can use the continuation of the war as a rallying cry for national unity.

"The revolution is behind him," Mr. Malraux said of Chairman Mao. "You don't refight every morning a battle you've already won."

Asked how he explained the change in Peking's hostility to Washington, Mr. Malraux said simply: "Time passes."

Nixon Leaves Today on His Peking Trip

(Continued from Page 1)

special indoctrination courses to explain Mr. Nixon's visit. The Chinese of these sessions, according to Mr. Gompertz, is that alliances with adversaries can be beneficial under certain circumstances.

Several China specialists here believe that Peking decided to seek conciliation with the United States primarily to counterbalance a growing threat from the Soviet Union.

The President said last Monday that "this trip should not be one which would create very great optimism or very great pessimism." He added that 20 years of mutual hostility and lack of communication in Chinese-U.S. relations "will not be swept away in one week of discussion."

Mr. Kissinger has said that "there is no commitment by either side to any detailed agenda" and that the discussions between the President and the Chinese leaders will be "free-wheeling."

The talks are expected to cover subjects ranging from Sino-American relations to the Vietnam war and the U.S. troop presence in South Korea to Soviet policy in Asia and the future role of Japan.

It is expected that the President and the Chinese leaders will agree to mutual scientific and technological exchanges between the United States and China. The two sides are reportedly already in accord on establishing a permanent channel of communications, although this will not be a conventional form of diplomatic relations.

How Move Developed

Describing the evolution of his approach to China, the President implied in his annual foreign policy report to Congress earlier this month that his move was made possible by the Chinese dispute with the Soviet Union.

"With the time long past when one nation could speak for all Communist countries," he said, "we deal with individual nations on the basis of their foreign, and not their domestic, policy."

Mr. Nixon said that he had considered an approach to Peking as early as October, 1967, when he wrote that "any move toward Asia must come to grips with the reality of China." After taking office in January, 1969, he recalled, he began a series of small steps to establish a climate conducive to reconciliation with Peking.

These included a revision of the embargo on trade with China dating from the Korean war and a softening of restrictions on travel by Americans to China.

On Monday, President Nixon further eased trade restrictions on China by placing them on a par with those for the Soviet Union.

Mr. Nixon will be the first U.S. President to visit China while in office. Ulysses S. Grant visited Peking after his term expired and Herbert Hoover worked as an engineer in China before he entered politics.

Connally on Dollar, Gold

(Continued from Page 1)

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On domestic matters, Mr. Connally said that the administration had no plans to ask for a value-added tax or any other tax during this calendar year. He reiterated statements by other administration officials that the administration's projections for economic growth and reduced unemployment were realistic.

He said that the government's budget deficit of almost \$39 billion this fiscal year and \$35 billion next year "will not impinge on overloaded credit markets."

Mr. Connally disclosed a confidential staff paper produced by a Treasury economist which said that "over the next few years a 4 percent unemployment rate as a national goal is not feasible without significant inflation."

Committee chairman William French, D. Wis., caught Mr. Connally off guard when he cited the Treasury staff document. Mr. Connally said that it "does not have the stamp of approval of the Treasury Department."

Although Mr. Connally defended a 4 percent as a goal, he conceded that "to reach it without inflation will be very difficult. We shouldn't kid ourselves that it will be easy."

Housing Starts Rise

WASHINGTON, Feb. 16 (Reuters).—Housing starts rose 4.8 percent in January from December to a record seasonally adjusted annual rate of 2.5 million, the Commerce Department reported today.

747 ways to wangle a trip on our Gentle Giant

No. 522: For touring gastronomes

Tell your President de la Société that only the cuisine aboard our Jumbos suits your refined palate. Every meal's a feast, served piping hot from no fewer than eight galleys. And wines—full-bodied cabernets, noble steins, crackling champagnes and delicate rieslings still fresh with the bloom of the Cape. All served at precisely the right temperature by more stewards and hostesses than you'll find on any other Jumbo. If he still doesn't send you on our Gentle Giant, give him a hot dog when next he dines with you.

We fly your way
SAAZ
SOUTH AFRICAN AIRWAYS
BOEING 747B
—our Gentle Giant



WEATHER

ALABAMA	12	24	Cloudy
ALASKA	12	24	Very cloudy
ARIZONA	12	24	Partly cloudy
ARKANSAS	12	24	Partly cloudy
CALIFORNIA	12	24	Partly cloudy
CANADA	12	24	Partly cloudy
CHICAGO	12	24	Partly cloudy
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CLEVELAND	12	24	Partly cloudy
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Over Charge They Aided Enemy

Democrats Condemn Aide to Nixon

By Spencer Rich

WASHINGTON, Feb. 16 (UPI).—The Senate Democratic Policy Committee yesterday unanimously adopted a resolution condemning White House aide H. R. Haldeman for his remarks about critics of the President's peace plan.

Mr. Haldeman's comments on a television show, that Democrats were "consciously aiding and abetting the enemy" with criticism of Mr. Nixon's eight-point

peace plan, were rapped in an 11-to-0 vote of the policy committee.

Although Mr. Haldeman was not mentioned by name, the resolution said "recent statements on nationwide television by spokesmen for the administration" reflected "an extraordinarily undeveloped sense of the basic rights of every American citizen under the Constitution" and "a total unawareness of the responsibility of elected members of the govern-

ment of this country... to discuss or disagree with any policies."

"Serious and Censure"

The policy committee said Mr. Haldeman and other spokesmen making the same type of charge "should be subject to the most serious scrutiny and censure."

An earlier draft of the same resolution mentioned Mr. Haldeman specifically by name and said that if one senator had made similar charges against another he would be subject to censure. This was revised, policy committee chairman Sen. Mike Mansfield, of Montana, said, after discussion within the committee.

The resolution was initiated by Sen. Stuart Symington of Missouri in a letter to the policy committee last week. Sen. Symington said Mr. Haldeman's television statement "clearly is a serious charge, and those of us who went through the so-called McCarthy era of the early fifties intend to do our best to prevent the recurrence of any such experience." Sen. Symington was a leading foe of the late Sen. Joseph McCarthy, R., Wis., during Sen. McCarthy's period of wide-ranging accusations against individuals as alleged Communists, charges which eventually led to Sen. McCarthy's censure by the Senate.

Sen. Mansfield told reporters that Sen. Edmund S. Muskie, of Maine, a leading Democratic presidential contender, and Sen. Herman E. Talmadge, of Georgia, and Warren G. Magnuson, of Washington, were absent from the policy committee vote, but all other 11 members were there and the vote was unanimous.

The Voters

Those voting were Sen. Mansfield; Senate Appropriations Committee chairman Sen. Allen J. Ellender, of Louisiana; Sen. Symington; and Sens. H. Hughes, of Iowa; Robert C. Byrd, of West Virginia; John O. Pastore, of Rhode Island; J. William Fulbright, of Arkansas; Philip A. Hart, of Michigan; Daniel K. Inouye, of Hawaii; Ernest F. Hollibaugh, of South Carolina; and Frank E. Moss, of Utah.

In other political actions, Sen. Robert H. Humphrey, D., Minn., had his bid for an early endorsement by labor rejected in Miami Beach. "Not a chance," said AFL-CIO president George Meany to Sen. Humphrey's hope for endorsement before the July Democratic nominating convention.

Three other Democratic presidential contenders, Sens. Muskie, Henry M. Jackson, of Washington, and Vance Hartke, of Indiana, also visited labor leaders in quest of support.

Former Sen. Eugene McCarthy, campaigning in Minneapolis, called Mr. Nixon's opposition to mandatory school busing a denial of the Constitution. "For a President to say he would not enforce the law as interpreted by the courts is quite a revolutionary position," Mr. McCarthy said.

Sen. Jackson assailed Sen. Muskie in a speech in Hollywood, Fla., saying: "I think he's moved away from the progressive center (of the Democratic party) to where he is taking the position of the McGoverns and the McGoverns."

In New Hampshire, Rep. Wilbur Mills of Arkansas said he believes the convention will not be able to select a presidential candidate on the first ballot "and if none of the others can win on the first, maybe I can win on the second." The House Ways and Means Committee chairman said "this is a draft-Mills campaign" and he was not spending a cent in New Hampshire and he had no idea how much was being spent in his behalf.

Mansfield, Scott Bar Change In Constitution Over Busing

By Eric Wentworth

WASHINGTON, Feb. 16 (UPI).—Both Senate majority leader Mike Mansfield, of Montana, and minority leader Hugh Scott, of Pennsylvania, said yesterday that they oppose pending constitutional amendments to block forced busing of school children.

The two party leaders agreed that enacting such an amendment would be difficult and time consuming. Sen. Scott also opposed any constitutional change that would conflict with the present 14th Amendment's equal-protection provisions.

Their statements further dampened hopes of those Senate colleagues and House members who favor amending the Constitution as the possibly slow, but only sure, way to bar court-ordered busing.

President Nixon met Monday with key aides and eight congressional supporters of the constitutional amendment strategy, and assured the lawmakers he is determined to find some remedy to the busing problem.

Mr. Nixon declined for the time being to endorse the constitutional route, however, and Vice President Agnew said on television that he personally opposes an amendment.

The purpose of Mr. Anderson's news conference was to publicize the publication in May of a book called "The Anderson Papers," a compilation of the documents.

In the telephone interview, Mr. Anderson said that since the FBI investigations began, his sources had become nervous. He said he was told that only one copy was now kept of minutes of the WHAG sessions and that this copy was "very tight."

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Asked if he would be willing to take a lie detector test in that assertion, Mr. Anderson said he would.

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Asked if he would be willing to take a lie detector test in that assertion, Mr. Anderson said he would.

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Adm. Welander, 47, is a graduate of the Naval Academy and had combat experience in both the Korean and Vietnam wars. He has received the Bronze Star and the Legion of Merit, and holds a master's degree in foreign affairs from George Washington University.

He worked from 1969 to December, 1970, in the office of the Chief of Naval Operations, first in the office of strategy and concepts and then in congressional and policy coordination.

From December, 1970, until this month he was chief of the operations, plans and military assistance division of the office of the Joint Chiefs of Staff, a position in which he had close contact with the work of the National Security Council, headed by Henry A. Kissinger, the President's adviser on national security.

Mr. Anderson said that since the FBI investigations began, his sources had become nervous. He said he was told that only one copy was now kept of minutes of the WHAG sessions and that this copy was "very tight."

At a regular news briefing, Ron Ziegler, the White House press secretary, said that Adm. Welander had served as the liaison officer between the Joint Chiefs of Staff and the White House. He refused to discuss a series of questions pertaining to Mr. Anderson's charges.

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He worked from

Ecuadorian Military Coup Ousts Velasco

Army Commander Becomes President

QUITO, Ecuador, Feb. 16 (AP).—Ecuador's military chief ousted President Jose Maria Velasco Ibarra last night for the fourth time in his career and sent him off to Panama. The purpose of the coup apparently was to prevent the election of a Radical to the presidency.

Brig. Gen. Guillermo Rodriguez Lara, who was rewarded with command of the army after putting down an attempt to overthrow Mr. Velasco Ibarra last April, declared himself president. He said he will be assisted by a council made up of the three service chiefs: Rear Adm. Remigio Vallejo, air force Gen. Julio Espinosa Pineda and whom-ever is named to command the army.

The new president pledged to respect all existing international treaties.

A presidential election is scheduled for June, and Mr. Velasco Ibarra, now 78, had promised to hand over his office on Aug. 31 to whoever was elected.

Mr. Velasco Ibarra learned last night that the bloodless coup was under way and flew to Guayaquil, on the coast, where he tried to broadcast to the country. But navy officers arrested him before he could get to the microphone and held him incommunicado.



Jose Maria Velasco Ibarra

until they put him aboard a military plane for Panama.

In a 12-point announcement, the new president put the country under a state of siege and martial law, suspended the schools, banned demonstrations, imposed a 9 p.m.-4 a.m. curfew, forbade transmission of news "liable to disturb the public peace and the citizenry," and put all public services under military rule.

Mr. Velasco Ibarra has been elected president five times in the past four decades but has served out only one four-year term, from 1932 to 1936. The army overthrew him in 1935, 1947 and 1961.

On June 22, 1970, he assumed dictatorial powers after months of strife between students and security forces and announced he would exercise supreme power until the 1972 election.

Italian Christian Democrats Try to Form New Government

ROME, Feb. 16 (UPI).—Christian Democrats moved one step closer today to formation of a new government even though it appeared doomed before taking office.

Former government partners warned the Christian Democrats earlier that they would vote against the new government in parliament. This almost automatically would mean national elections this spring instead of spring 1973, political sources said.

But the 40-member Christian Democrat executive met today to assign portfolios in a cabinet led by Giulio Andreotti, who will become premier of the country's 23rd government since the downfall of Fascism in 1945.

Political sources said Mr. Andreotti, 53, a political veteran who held posts in 20 different cabinets from 1947 to 1968, would present the cabinet to President Giovanni Leone sometime tomorrow.

Has the Power Mr. Leone is empowered to dissolve parliament and call elections ahead of schedule if Mr. Andreotti cannot survive. Statements by various party leaders made it almost certain he could not.

Mr. Andreotti and his party decided on an all-Christian Democrat government late yesterday after two unsuccessful attempts to resurrect the center-left coalition which collapsed on Jan. 15.

Premier Emilio Colombo resigned on that day because of deep divisions among the four parties in the coalition—his own Christian Democrats plus Socialists, Social Democrats and Republicans.

No politician would guess how long Mr. Andreotti can last, but Christian Democrat sources said they hoped he would survive until parliament approves the 1972 budget and acts on important and long-standing reforms.

Most political experts said elections probably would come late in May or early in June. The constitution requires a 70-day waiting period between the dissolving of parliament and election day.

Most of the 16 Christian Democrats who served in Mr. Colombo's outgoing cabinet—which is acting in a caretaker capacity now—were expected to retain their jobs in Mr. Andreotti's cabinet.

Some political sources said a possible exception is Foreign Minister Aldo Moro, who favors another coalition government and opposes one composed only of Christian Democrats.

The seriousness of the current crisis was underlined by the fact that not since 1924 has any Italian head of state dissolved parliament and called national elections ahead of schedule. But political sources said Mr. Leone apparently has little choice.

'Twerp' as Synonym for Prince Disallowed in Commons Debate

LONDON, Feb. 16 (AP).—A Labor member of Parliament today called Prince Charles a "twerp," and the House of Commons stopped in its tracks to ponder whether it was against the rules to refer to the Prince of Wales, heir to the throne, in that way.

The remark was made by William Hamilton, who has won a name for fierce attacks on Britain's monarchy, in introducing a bill to nationalize crown lands that give Charles an income of £110,000 a year.

It was indefensible, he declared, that two minor workers would have to toil underground for 50 years to earn "as much as we give this young twerp in a year." "Twerp" is defined as "an insignificant or contemptible fellow."

Conservative legislator Norman St. John-Stevens broke the stunned silence by complaining to the Speaker: "It cannot be in order in this House, under the rules of this House, to refer to the heir to the throne in that manner. I must ask you to exercise your authority and ask that that remark be withdrawn."

The Speaker declared, "I am advised you are not allowed to say that. I would ask you to withdraw."

Hamilton: "I withdraw."



Prince Charles

Athens Envoy Quits Cyprus; Crisis Is Eased

Archbishop Makarios Is Viewed as Winner

By Peter Grose

NICOSIA, Cyprus, Feb. 16 (UPI).—The archbishop of Cyprus and the ex-colonel of Athens appeared to be pulling back from the brink today after a tense five days, and a Greek power play that never came off.

President Makarios beamed confidently to his loyal Greek Cypriot crowds in the streets of his capital for the second day running. His immediate adversary, the tough-talking Greek ambassador, quietly left the country to take up a new diplomatic post in Athens.

Seasoned diplomats were almost unanimous in judging the durable archbishop ahead on points in the confrontation so far. There was also wide agreement on two serious effects of the sudden crisis of last weekend.

First, months of patient and some even said, promising international efforts to reach a long-term political settlement between the island's hostile Greek and Turkish communities have suffered a sharp and discouraging setback, largely because of Greek diplomatic blundering.

Peacekeeping Effort The United States, Greece, Turkey and the North Atlantic Treaty Organization had been actively preparing this now dubious peacekeeping effort, with hopes of removing a festering sore in the eastern Mediterranean.

Second, relations between President Makarios and Greek Premier George Papadopoulos, never comfortable in the best of times, have been ruptured, probably beyond repair. Though united by their common Greek heritage, the two leaders seem to be embarked on a course of personal bitterness and maneuver.

There were high stakes in the Greek junta's bid to bend Makarios to heed the word of Athens.

Long awaited negotiations between Turkish and Greek Cypriot leaders, with Greek, Turkish and United Nations diplomats sitting in, were to have begun in Nicosia at the end of this month. Now all sides agree that these painstakingly prepared meetings will be delayed, possibly even aborted.

Turkish Army Alerted

ANKARA, Feb. 16 (Reuters).—Several units of the Second Turkish Army Group on the southern coast opposite Cyprus have been ordered into a state of readiness, informed sources said today.

No official comment on the move was immediately forthcoming, but the sources assumed that it would be connected with recent developments on the island which have led to a crisis between the Greek and Cypriot governments.

The move comes one week before the Turkish Army contingent of about 600 men stationed on Cyprus is due for normal six-monthly rotation.

The sources noted that the army order was also given three days before the 13th anniversary of the Zurich agreement which led to the independence of Cyprus, with special rights for the Turkish minority of 120,000 on the island.

Czech Arms

The Turkish Foreign Ministry yesterday called on the Nicosia government to hand over to the United Nations peace-keeping force on Cyprus quantities of Czechoslovak arms said to have been imported by President Makarios.

The Cyprus president is reported to have imported the arms to strengthen his hand against former guerrilla leader George Grivas, said to be secretly organizing anti-Makarios factions on the island.

The Turkish Foreign Ministry said the arms threaten to upset the balance of power on Cyprus. The Turkish government has made no official comment on a similar demand by Greece for President Makarios to hand over the weapons to the UN.

Turkish officials say the government here is closely following Cyprus developments, but its concern is limited to the well-being of the Turkish community on the island.

Iran Prepares Copter Sites for Relief Flights

TEHRAN, Feb. 16 (AP).—Army skiers are trying to clear helicopter landing sites in the snow-strewn areas of Ardekani, 480 miles south of here, so that food and medical supplies can be taken to the isolated population there.

This was announced today by Gen. Mohammed Fazel, chief of the snow relief headquarters set up by the government to rush aid to the snow-covered regions.

According to the newspaper Eshakat, about 4,000 people in 14 villages around Ardekani are completely cut off by snowfalls of up to 2 feet.

Eshakat also reported that three girls were killed today when a school van, damaged by recent heavy snow, collapsed on them in a village near Tabriz in north-west Iran.

Gen. Fazel said that a blizzard made helicopter approaches impossible in the western region of Kurdistan, which is under 15 feet of snow.

Ray Gunter Quits Labor Ranks

Commons to Vote on EEC Tonight

LONDON, Feb. 16 (Reuters).—The House of Commons went into the second day of a crucial Common Market debate today with the Labor party preparing its strongest attempt so far to bring down Prime Minister Edward Heath's administration.

But the opposition party received one setback to its plans, and slightly eased the government's position, with the announcement by former Labor Minister Ray Gunter that he had resigned from the Labor party and henceforth would sit in the lower house as an independent.

Mr. Gunter, a convinced European, is now in South Africa and will therefore miss the vital vote tomorrow night on government legislation to take Britain into the European Economic Community.

The government is acutely aware of the danger to its survival with a nominal overall majority of 25 threatened by an anti-market group of up to 15 Conservative members.

Mr. Heath yesterday summoned leading members of his party to his office and personally asked a rejection of the bill would mean his resignation. As his cabinet is united on market entry this would cause a subsequent general election and a possible Conservative defeat at the polls.

The ruling party has also recalled the foreign secretary, Sir Alec Douglas-Home, from an Asian tour so that he can vote.

Leaders Realigned

The Labor party, officially opposed to Britain joining the market, is also striving for a full turnout tomorrow. It has recalled two former ministers, Barbara Castle and Roy Hattersley, from American trips.

A government victory is widely anticipated here, but the size of the majority is open to speculation. With pressure being intensified by party disciplinarians,

estimates generally run between 10 and 20 as the margin.

One leading anti-marketeer among the Conservatives who intends to vote against the government is Enoch Powell. He confirmed this in a radio interview today.

On the Labor side, the party's deputy leader, Roy Jenkins, and other avowed Europeans have indicated they will not be supporting the government this time as they did last October on the principle of market entry.

With a background of industrial and Northern Ireland troubles, Labor leader Harold Wilson and his close aides see this as an opportune time for a concerted attack against the government.

Trade and Industry Secretary John Davies, opening speaker in debate today, said that British industry was overwhelmingly in favor of market membership and confident of its ability to meet the new challenges.

He said that Britain had now established a sound balance of payments position and had the

resources of manpower and productive capacity.

3 Candidates Invited

LUXEMBOURG, Feb. 16 (AP).—Denmark, Norway and Ireland were invited today for the first time to join Britain and the six members of the Common Market at the next meeting of their Political Committee.

The Political Committee is a group of high foreign ministry officials who try to coordinate foreign policy outside the economic sphere.

The committee's next meeting will take place in Luxembourg, April 11 and 12.

The invitation came at the end of a two-day session, the first to be attended by a British representative.

Foreign ministers of all 10 countries are due to get together in Luxembourg in mid-May or early June. In the fall, their heads of government will hold a summit conference to map the future of the enlarged Common Market, which the four candidates are due to join Jan. 1.

Britain Sees Little Chance For Mutual Force Cuts Pact

By Alvin Shuster

LONDON, Feb. 16 (Reuters).—The British government today issued a new defense budget based on the view that chances are slim for any early agreement on East-West force reductions in Europe.

The annual defense white paper, reflecting Britain's decision to boost defense efforts to strengthen the North Atlantic alliance, said that the Western powers must avoid "any premature lowering of its guard."

It said the Warsaw Pact powers were conducting East-West negotiations from "positions of massive and still growing military strength."

Lord Carrington, the Secretary of Defense, told a news conference that the "large superiority" of the Communist countries in troops, tanks and aircraft makes any agreement on mutual force reductions "that much more difficult."

Any equal cuts, he said, would mean that "we would end up a good deal worse off."

Complex and Complicated "The more we inquire into the idea of Mutual and Balanced Force Reductions, the more complicated and complex we find it," Lord Carrington added. "I suspect that on examination you'll find that the Warsaw Pact is finding the problem as complicated as we are."

The whole issue is now "bogged down," he continued, noting that the Soviet Union had not responded to NATO's request that Moscow begin preparations for East-West force talks by receiving Manlio Brosio, the Italian diplomat designated last fall as an exploratory envoy on the issue.

"We are ready to play our part in relaxing tensions but not to cut forces unilaterally," Lord Carrington added.

The words of the defense secretary and the white paper were similar in tone to those heard these days from Washington. President Nixon, who submitted an enlarged defense budget, said last week that he would not permit a "further erosion of the strategic balance" with the Soviet Union.

Closer Cooperation The white paper also called for closer cooperation on defense with the Western alliance in hopes of developing a "greater identity of view." This effort should be helped, it said, by the growing European unity symbolized by the enlargement of the European Economic Community, which Britain is scheduled to join next Jan. 1.

The white paper outlined a defense budget for the next fiscal year of about \$7.5 billion, an increase of 2.9 percent. Lord Carrington noted that was 5.5 percent of the gross national product, "a higher percentage than any of our major NATO allies, whose average about 4.2 percent."

Moorer Issued Warning

WASHINGTON, Feb. 16 (AP).—The United States top military officer said today that the nation must always be prepared to cope with both the Soviet Union and China simultaneously.

Adm. Thomas H. Moorer Jr., Chairman of the Joint Chiefs of Staff, made the statement in urging Congress to approve the new \$76.5 billion defense budget.

The budget calls for an accelerated development of an advanced missile-firing submarine.

20 Die in Filipino Bus

MANILA, Feb. 16 (AP).—The death toll in a collision early today in which an open-sided bus carrying 52 persons sideswiped a speeding truck rose to 20 tonight, the Philippine News Service reported. The mishap took place in Calamba, Laguna, 30 miles south of Manila.

Obituaries Dr. Frank Porter Graham, 85, An Adviser to 2 Presidents

CHAPEL HILL, N. C., Feb. 16 (UPI).—Dr. Frank Porter Graham, 85, an adviser to Presidents Franklin D. Roosevelt and Harry S. Truman, whose liberal views on civil rights contributed to his loss of a U. S. Senate seat, died today.

Mr. Graham, credited with embarking the University of North Carolina on a progressive program as its president for 19 years, died at North Carolina Memorial Hospital after an extended illness.

Mr. Graham was appointed to the Senate by Gov. Kerr Scott of North Carolina in 1949 to fill a vacancy after the death of Sen. J. Melville Broughton. He was 62 years old when he accepted the seat. He lost the seat one year later in a bitter campaign against segregationist Willis Smith.

Communism and race were the issues in the campaign. Opponents at one point circulated a fake picture of Mr. Graham's wife dancing with a Negro, and Mr. Graham commented later: "I just wasn't masterful enough to overcome all these forces—the forest fire which spread across the state fanned by racial fears, deep prejudices and even demagoguery."

Mr. Graham did not retire from public life, however, but went on to work with the United Nations and was named defense

manpower administrator in the Department of Labor.

He was named in 1951 by the United Nations to mediate the dispute between India and Pakistan over Kashmir.

Gen. Eugene McGinley WASHINGTON, Feb. 16 (UPI).—Retired U. S. Army Maj. Gen. Eugene McGinley, 72, commander of the task force that conducted nuclear weapons tests in the Pacific Ocean in 1953, died Saturday of cancer.

At the time of the Berlin Airlift in 1949, he was in command of the Army Airlift Support Command and later served with the Seventh Army in West Germany. He retired in 1955.

H. Edwin Gilbert

PAIRM BRIDGE, Fla., Feb. 16 (UPI).—H. Edwin Gilbert, 56, former president and resident director of Caltex Petroleum S. A. France, died at his home here today after a long illness.

After his retirement from Caltex, Mr. Gilbert became a founding partner of International Executives in Paris.

Pompidou Urges Bolivia's Ruler to Extradite Barbie

PARIS, Feb. 16 (UPI).—The government spokesman said today that President Georges Pompidou has sent a "particularly pressing and energetic" letter to the Bolivian chief of state, Col. Hugo Banzer Suarez, concerning the extradition of Nazi war criminal Klaus Barbie.

The announcement followed accusations here that Paris authorities have been extraordinarily slow in pursuing Barbie, the former Gestapo chief at Lyons, who was twice condemned to death in absentia for the deaths of many Jews and of Jean Moulin, the chief martyr of the French Resistance.

Two Quakes Rock Two Italian Areas

FLORENCE, Feb. 16 (AP).—Devastating earthquakes rocked the Florence and Reggio Calabria areas of Italy last night. There were no reports of damage in either place.

Two quakes of the third degree on the 12-point Mercalli scale rolled across central Tuscany in mid-evening Tuesday. The epicenter was placed at Mugello.

A somewhat stronger quake was felt in Reggio Calabria and across the Strait of Messina, in Messina, Sicily. That quake, estimated at between four and five on the Mercalli scale, lasted five seconds and sent hundreds of persons scurrying out of doors.

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Rhodesian Aide Urges Blacks To Support Settlement Plans

SALISBURY, Feb. 16 (Reuters).—Deputy Prime Minister John Wrathall tonight made a strong plea to woo black support for the Rhodesia independence settlement proposals.

He told the country's 3,250,000 Africans—most of whom appear to be opposed to the proposals—that acceptance of the terms would pipe an extra 17.5 million Rhodesian dollars (\$265 million) into the country's economy over 10 years to speed African advancement.

Additional Funds
In a radio broadcast beamed to Africans, Mr. Wrathall said work had already started on preparing a draft blueprint for the development program envisaged in the settlement proposals in which Britain would contribute \$139.5 million over the next few years and the Rhodesian government would put in a similar sum. All this, the deputy prime minister said, would be in addition to the funds the government had already earmarked for African

development. The money would be spent on new irrigation and intensive cultivation programs, industrial projects and improved communications in the tribal areas. More would be spent on education in various fields.

But Mr. Wrathall made it clear that the money would be available only if the settlement terms were accepted. If they were not, he said, "No British government aid will be forthcoming.... The opportunity for more rapid economic and other advancement will once again have been lost."

Meanwhile, sources here said that the government is expected to appoint a special tribunal within the next few days to review cases against detained former Prime Minister Garfield Todd, his daughter, Judith, and two African nationalists.

Mr. Todd and his daughter, outspoken opponents of the Smith government, have been held in separate jails without trial since Jan. 18.

"Historic Error"

ADDIS ABABA, Feb. 16 (UPI).—The African foreign ministers conference today accused the UN Security Council of committing a "historic error" against Africa by failing to act on the Rhodesian problem during its special session here Jan. 25 to Feb. 4.

In a telegram sent to the council, the conference called on it to remedy the situation and "repair the wrongs done to the peoples of Africa."

The cable was sent on the occasion of the Security Council meeting on Rhodesia scheduled for today.

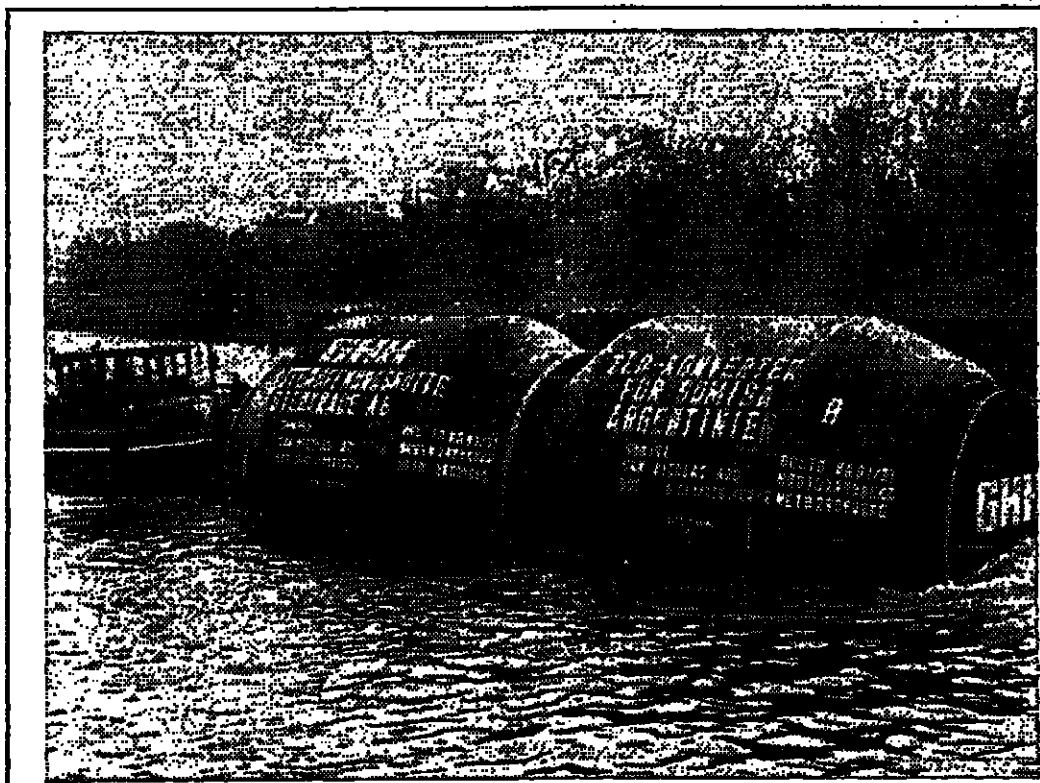
Frozen Sperm Of Men Called Not Infallible

NEW YORK, Feb. 16 (NYT).—The American Public Health Association has cautioned men planning to have their sperm frozen before undergoing a vasectomy that the likelihood of being able to have a child by the sperm if it is stored for a "protracted period of time" is not established.

A spokesman yesterday said the warning was issued because of the suddenly growing number of commercial frozen sperm banks around the country and the wide publicity given to the claims of some that the banks represent "fertility insurance."

The association suggested that a number of men were being misled into believing that their frozen sperm could be thawed out and used successfully to beget a child as much as 10 years after the man had had himself sterilized.

Although there have been reports of healthy children born after the use of 10-year-old frozen sperm, the association contended that individual reports, some of which are not well documented, cannot be taken as a guarantee of success or even the probability of success for everyone.



SUPER FLOAT—These converters, 31 feet high and 25 feet in diameter, were too bulky to carry by train, truck or barge, so they were sealed, floated and towed along the Rhine-Herne Canal to a seaport to be shipped to South America.

U.S. Backs \$50-Million Loan For 11,000 Homes in Israel

By Stephen Klaidman

WASHINGTON, Feb. 16 (WP).—The United States today guaranteed a \$50-million loan to build 11,000 homes in Israel, primarily for Jewish immigrants from the Soviet Union.

The guarantee, the largest to date under the Agency for International Development's housing guarantee program, follows separate and broader legislative proposals by Sens. Edmund S. Muskie, D. Maine, and Henry M. Jackson, D. Wash., for the United States to help resettle Soviet Jews who emigrate to Israel.

It also follows closely the sale of Phantom and other combat aircraft to Israel and a hint by President Nixon that he might raise the issue of Jewish emigration during his May visit to the Soviet Union.

In response to questions, at a press conference, State Department spokesman Charles W. Bray emphasized the continuing nature of U.S. support to Soviet Jews who wish to emigrate, and of aid to Israel.

Political Overtones
The questions indirectly raised the possibility of political overtones in the administration's decision to guarantee the loan now. Mr. Bray attempted to dispel that notion.

White House observers have been asking whether Mr. Nixon would campaign specifically for the Jewish vote.

The timing of the Phantom sale, the President's pledge of support for Soviet Jewish emigration, and the loan guarantee could be interpreted as moves

Mao Praises Snow

In Note to Widow

HONG KONG, Feb. 16 (Reuters).—Mao Tse-tung has praised Edgar Snow's efforts to promote Chinese-U.S. friendship, the New China News Agency said today. A message expressing the Chinese leader's condolences to the widow of the American journalist, Mrs. Lois Snow, today said: "He exerted unremitting efforts throughout his life and made important contributions in promoting the mutual understanding and friendship between the Chinese and American peoples. His memory will live forever in the hearts of the Chinese people."

Mr. Snow died in Switzerland yesterday at the age of 66.

Flees Prison To See Wife, Then Returns

MONZA, Italy, Feb. 16 (AP).—A prisoner in a jail in this north Italian city escaped last night to visit his wife and five children before his transfer in a few days to a prison in southern Italy. He reported back to police a few hours later.

Aurelio Salvo, 30, who is serving a year in jail for swindling, was quoted by police as saying he escaped from jail "as I wanted to embrace my wife and children once again before my transfer."

Pope Marks Opening Of Lenten Season

ROME, Feb. 16 (UPI).—Pope Paul VI walked in procession to the ancient Rome Basilica of Santa Sabina tonight to mark the opening of the Lenten season. The Pontiff followed monks of the Dominican and Benedictine orders in a procession along Rome's Aventine Hill to the church.

The Pope later celebrated mass—the first of the solemn 40-day Lenten period which Roman Catholics set aside for fasting, penance and prayer—ending on Good Friday, March 31.

Spaniard Visits Holland

MADRID, Feb. 16 (AP).—Spanish Foreign Affairs Minister Gregorio Lopez Bravo flew to The Hague today for a 30-hour official visit.

U.S. Scrutinizes Growing Role Played by Air Travel Clubs

By Robert Lindsey

SEATTLE, Feb. 16 (NYT).—The lowest priced economy-class round-trip ticket on a scheduled airline between Seattle and Paris this summer will cost \$445. But members of a private association have called. Club International will make the trip for only \$249—in their own Boeing-707.

The club has more than 16,000 members in Washington, Oregon, California and Canada. It is representative of a fast growing phenomenon in air transportation—the "air travel club"—that has brought down the cost of travel for thousands of Americans, given airlines a new source of competition, and triggered an investigation by the Civil Aeronautics Board.

The travel club idea got started in 1962 when a group of Washington business and professional men bought a surplus four-engine DC-7 propeller airplane, hired a crew and began making weekend trips as the Emerald Shuttle. Membership fees usually have run about \$60 a year, and members have generally traveled for about half the cost of a flight on a regular airline.

Growth in Clubs
This is still the pattern for most clubs. But recently, there has been not only a sharp growth in the number of travel clubs but also changes in the way some operate. Many now fly members greater distances than before, and they are making more trips and buying better planes.

In some cases, travel agents are buying second-hand jets and forming clubs that some government investigators say have become so large that they compare with regularly scheduled airlines. Some, they assert, are calculated efforts to evade federal regulations preventing the general public from taking low-cost charter flights.

Twenty-six travel clubs are licensed by the Federal Aviation Administration to operate their own planes, a 25 percent increase in the last 14 months.

A growing surplus of jet airplanes, because of the airline industry's switch to new jumbo jets, has brought down the cost of second-hand jets.

Last year, Club International's 180-seat Boeing-707 was used on 25 trips. This year, the club's schedule includes at least one flight weekly during the summer to Europe, weekly flights to Honolulu, transcontinental flights at \$139 and bargain trips to many other points. Meals, cocktails and in-flight movies are included.

In addition to their fare, members pay annual dues of \$15 for individuals and \$25 for families. Originally, members paid no initiation fee, but starting this year new members will pay \$100.

Major Airlines Assail Charters On Atlantic Run

GENEVA, Feb. 16 (AP).—The world's major airlines said today they might have to end regular North Atlantic flights if competition from charter companies continues unchecked.

The possibility was raised in a report by the International Air Transport Association, an organization of the more than 120 companies conducting regular flights throughout the world. They have lost much business to the cheaper charter flights in recent years.

The report called on governments to set up strict regulations for charter-flight marketing, fares and service conditions.

Italian Court Upholds Acquittal Of U.S. Actor

SALERNO, Italy, Feb. 16 (AP).—An appeals court today upheld the acquittal on drug charges of American actor William Berger.

The prosecution had appealed the acquittal, handed down last March. The 43-year-old actor had been accused of possession and use of drugs, and also of abetting others charged with drug use.

The appeals court ruled that evidence was insufficient to prove the first charge, and the second did not constitute a crime.

Mr. Berger was held in prison for seven months before his trial, a fact that raised a storm in Italy and abroad. Mr. Berger's wife, Carol, died in a psychiatric hospital after two months of pre-trial confinement. She suffered from hepatitis.

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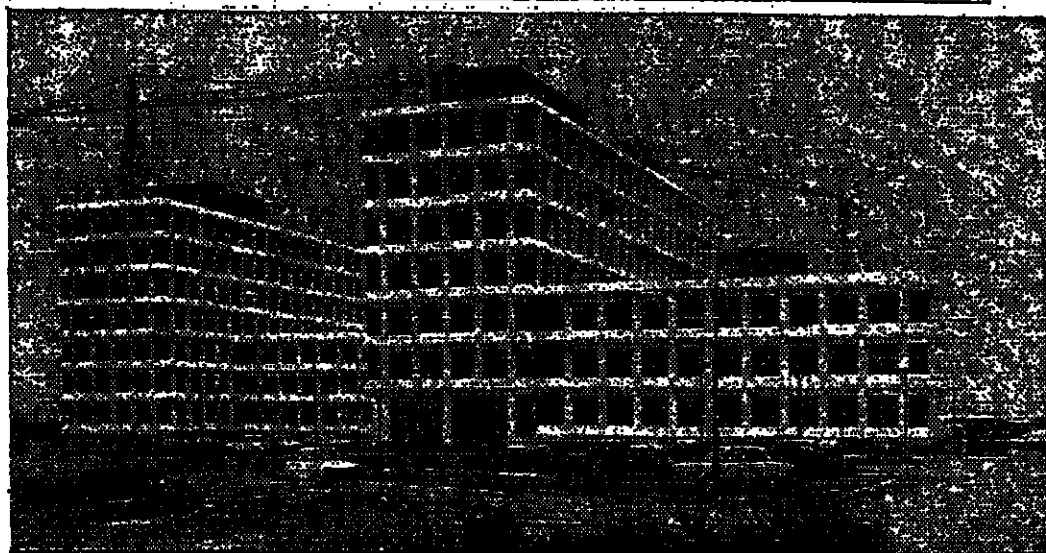
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وكان العمل

American Tet Offensive

Through January the administration and its publicists freely predicted an imminent major offensive in Vietnam—a "spectacular," Melvin Laird called it—around the time of Tet, which began Monday. In addition to exploiting Saigon's inclination not to fight on holidays, Hanoi was thought to be eager to kick up enough of a military fuss to embarrass Mr. Nixon and his Chinese hosts on the eve of their summit next week. A calculated desire to scare the President's domestic war critics into scuttling South Vietnam was also attributed to the wily North Vietnamese. Meanwhile, the administration, while acknowledging that it hoped, by warning of the offensive, to take the psychological edge off it, pronounced itself ready and confident to accept it as a test of South Vietnam's capacity to fight alone.

Well, it is mid-February and it is not the other side which has—so far—launched a Tet offensive on the ground. It is the United States which has launched an offensive of its own—in the air. American planes are bombing the parts of South Vietnam near the Laotian border at a rate not approached in some years; news reports tell of some 40 additional B-52s brought in for the purpose. And although intense enemy infiltration—despite the bombing, of course—is said to be taking place, the actual scale of Communist fighting seems to have been scattered and light.

Whether Hanoi really had planned a major offensive at this time (or still plans one), we do not profess to know. It could well be that the administration was victimized by extra-cautious intelligence ana-

lysts fearful of being taken by surprise; the daily reporting of imminent trouble in store has become the prudent thing to do in the Vietnam war as a result of intelligence failures in the past. Or it could be that the North Vietnamese, hearing all the alarms and seeing all the security preparations, decided to hold off for a time. With infiltration of enemy forces on the rise, however, it is almost predictable that the level of hostilities will also rise during the next several months of dry season—if not this week. In the meantime, those who earlier saluted the administration's presence in preparing for the worst will be able to claim that a great show of American air power may have averted an embarrassing enemy offensive at just the time of Mr. Nixon's arrival in Peking.

And there might even be something to that argument. But it does not take you very far, when you think about it, because what it says is that the South Vietnamese, for all the touted success of Vietnamization, are still apparently dependent for their security in February, 1972, on a massive, nearly record-breaking exercise of American airpower. Quite apart from whether this wave of new air attacks is the right accompaniment for a journey for peace to Peking, it is not likely to be taken in Hanoi as an American vote of confidence in Saigon's capacity to provide for its own defense. Putting it another way, it is likely to make Hanoi less, rather than more, eager to negotiate a reasonable settlement.

THE WASHINGTON POST.

The China Trade

President Nixon's move to further broaden U.S.-Chinese trade opportunities on the eve of his departure for Peking was a timely token of his desire to normalize relations with the People's Republic of China. On its side, China has indicated its own interest in "economic mutual aid." There is a possibility of an emerging compatibility between Chinese and American political and economic interests.

The immediate U.S. objectives are more political than economic: Achieving peace in Southeast Asia requires Chinese cooperation. U.S. efforts to induce the Soviet Union to act more responsibly—in the Middle East and on arms control—could benefit from closer Sino-American relations and from Soviet awareness of emerging Chinese technological prowess.

From China's standpoint, peace in Asia and a check-rein on Soviet ambition are as important as they are to this country. China's economic development—which could be advanced by a growth of trade and aid from the United States—would serve both its external and internal objectives.

In the short run, there are fairly narrow constraints on how much trade can take place bilaterally between China and the United States. Chinese economic capabilities are extremely limited—per capita income is

about \$120 a year. Total Chinese exports are only about one-tenth those of Japan. And, with a population about eight times as great as Japan's, China has a gross national product only about half as large.

There are many goods China would like to import from the United States, such as locomotives, industrial chemicals, fertilizers, construction equipment, steel mills, machine tools, wheat—which this country can produce in abundance. But China's ability to pay is tightly bound by its narrow export list. The United States will not be eager to take a huge increase of cotton and cotton-textiles; Mr. Nixon has already put heavy pressure on Japan, Korea, Taiwan and Hong Kong to restrict textile exports to this country. The American market for other Chinese products here does not look large; since June, when trade with China was opened, total American imports from that country have amounted to a mere \$5 million.

Hence, it would seem likely that the growth of Sino-American economic relations will depend on this country's willingness to extend export credits or other forms of aid to China. That willingness in turn will be based on the assessment of Washington and the nation of the political as well as the economic value of closer ties with Peking.

THE NEW YORK TIMES.

International Opinion

Laird and Arms Budget

When defense ministries want more money they tend to exaggerate the armed strength of any likely opponents. The Russians do it at times; the Americans do it. Yet Mr. Laird's report shows beyond doubt that the Soviet Union is rapidly increasing its military strength, especially in missiles and ships, and is overhauling the United States in some types of armaments. The Western powers are therefore faced with the urgent task of trying to interpret this development and to reconcile it with the Soviet Union's professed desire for peace, stability and disarmament.

—From the Times (London).

Progress at a Price

It has already been remarked that the announcement of Nixon's forthcoming trip to Peking, made last July, could prove more important than the visit itself. Aside from the tremendous TV fuss that will accompany it, this could turn out to be the case. The establishment of a permanent liaison in the form of a non-diplomatic mission, the gradual buildup of economic and cultural relations, the creation of a constant TV link via satel-

lite, and so forth—these would certainly be concrete results the value of which will not be underestimated.

But even a potentially far-reaching settlement of interests is hardly to be expected from this initial meeting. In fact in a certain sense the difficulties will first begin once the dialogue has been opened. The effort naturally also has its political price, but it is hoped that this will not turn out to be excessive, especially in Japan.

But that does not mean that Nixon's sudden change of course was a mistake. It had to come, and it could have been initiated by no President better than by Nixon, who because of his political past can afford to throw some ideological ballast overboard.

—From the Neue Zürcher Zeitung (Zurich).

Age of Fairy Tales

It is the kind of thing that could have happened to Audrey Hepburn—in a film. Secretary Birgitte Van Deurs becomes engaged to Prince Richard of Gloucester. Birgitte will be a princess. From "Take a letter, Miss Deurs" to "Your royal highness." And they say the age of fairy tales is dead!

—From the Daily Express (London).

In the International Edition

Seventy-Five Years Ago

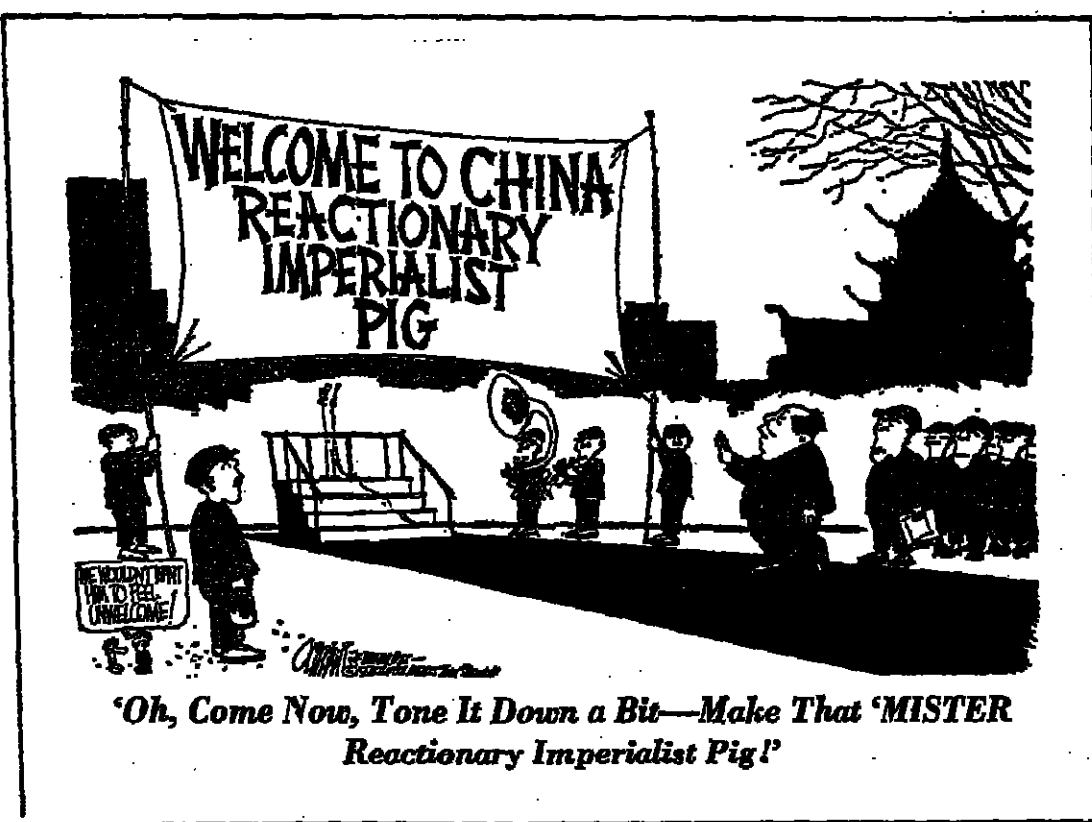
February 17, 1897

PARIS—Public sentiment in America against the great industrial combinations known as "trusts" has become so acute that the police powers of several states must soon be exerted against them in some effective way. There is now an investigation underway in the New York State Legislature and they will be the first to answer whether a corporation shall remain in existence when it uses its power not to produce but to prevent production, and not to promote trade but to restrict it.

Fifty Years Ago

February 17, 1922

LONDON—Dr. Beneš, the Czechoslovak Prime Minister, is on a money mission. He saw Mr. Lloyd George yesterday and said he had come to London to discuss economic questions between Czechoslovakia and Great Britain and especially matters of finance. The British government has expressed its agreement with the French government's suggestion that consideration of the question of German reparations liabilities for this year shall be undertaken by the Reparations Commission.



The Orange County War Chest

By Everett R. Holles

NEWPORT BEACH, Calif.—One of the most bountiful but least known sources of big campaign money for President Nixon is an exclusive club of California businessmen who like to boast that, without their efforts and generosity, he would not be occupying the White House today. Made up largely of millionaires, the Lincoln Club of Orange County carries not only great political influence but also considerable social prestige in a seaside community where a few yachts and racetracks abound and the wealthy live in walled beachfront compounds with uniformed guards at the gates.

According to former members who now oppose some of its policies, the Lincoln Club has 124 carefully screened members who pay dues of \$500 a year. They say its affairs are tightly controlled by a handful of Nixon's County neighbors who sit on the board of directors. Prominent in this inner circle are four or five men who, among them, have raised several million dollars for the Republican party.

Donation Finder

Because many of the members are directors of large corporations throughout the country, the club serves as a "finder" or point of contact, influence and pressure in obtaining large campaign contributions. The donations—often split into unpretentious \$5,000 segments—are funneled into the party's national treasury through a variety of convenient committees set up for that purpose in California and in the East.

Several of the Lincoln Club's older members are original Nixonites who helped launch the President on his political career 26 years ago. They were among a group of Old-Guard California Republicans who picked him—an obscure young man just out of the Navy—to run for Congress against the Democratic incumbent, Jerry Voorhis. They have been giving generously to his campaigns ever since, in victory and defeat.

The Lincoln Club has no headquarters, only a post office box in nearby Fullerton—shuns publicity. Its membership roll is a secret document and its officers refuse to talk with reporters. Each person initiated into the club takes a pledge not to discuss publicly the organization's activities, even though the rank-and-file members know little or nothing about the real scope of those activities.

They are not consulted in the selection of favored Republican candidates for state and local office, or the manner in which the club's largesse is distributed. Since the President took office in 1969, a number of his policies have generated friction in the club. Through resignations there has been a net loss of 20 members, including one board member who was ousted when he demanded an outside audit of the club's financial affairs. Most of those who have resigned are right-wing Republicans critical of Nixon's decision to visit mainland China and his proposals for a guaranteed annual income and revenue sharing.

Dissident Sources

From such dissident sources it has been possible to piece together what appears to be a relatively complete picture of the club's internal workings, part of it based on minutes of board of directors' meetings dating back several years.

All of the club's decisions, the materials makes it clear, are made by the 18-man board, which is presided over by the club's perennial president, Arnold O. Beckman, 72, the founder of Beckman Instruments, Inc., of Fullerton, and a director of Continental Airlines and half a dozen other industrial and banking corporations.

Beckman's right-hand man and adviser at the directors' Saturday breakfast meeting, held each month at the Balboa Bay Club or the Airport Inn here, is a mild-spoken Newport Beach attorney, Herbert W. Kalmbach. Kalmbach is Nixon's personal attorney on the West Coast and No. 2 man on the Nixon national fund-raising team headed by Maurice H. Stans.

Marriott Corporation, operator of motels and airlines catering services, and a client of Kalmbach's law firm, Kalmbach, Demarco, Knapp & Chillingworth. The Lincoln Club's membership is heavily weighted with bankers, land developers and real estate brokers, but there are others outside that category, such as John Wayne, the actor.

Brief Reports

In his brief financial reports, distributed to members, the Lincoln Club lists political donations to state and county party candidates that usually amount to \$30,000 to \$75,000 a year. A report dated April 7, 1971, listed receipts for the preceding year totaling \$92,338.45, including \$54,900 in unidentified "contributions." Expenditures of \$78,300.47 were shown, including \$15,000 given to Sen. George Murphy in his losing 1970 battle for reelection, \$38,000 to California Congressman William T. Tague, and \$10,000 to the Ronald Reagan-Ed Reinecke ticket for governor and lieutenant-governor in 1970.

But periodic accountings, according to a former member of the Lincoln Club, represent "just the petty cash drawer of the whole operation." Unreported, he said, are large contributions to the Republicans' national campaign chest by individual members. These do not pass through the club treasurer, Robert F. Beaver, but are made directly "ex officio" to Kalmbach, or, on occasion, to Beckman.

The former member said that in 1968 he contributed \$24,000 to the Nixon-Agnew campaign and was provided with the names of five different committees—two in California and three in the East—in order to circumvent the national \$4,000 limit on individual contributions. He alleged that, on occasion, large sums had been delivered in cash, notably a substantial \$44,000 in \$50 bills said to have been sent to Washington by an unidentified Newport Beach businessman two years ago.

The leaders of the Lincoln Club may be publicity shy but, in the privacy of their Saturday breakfast meetings, they evidently have very little modesty about what they have done for Nixon or their importance to his political well-being.

The club's annual dinner on April 9, 1969, was a belated celebration of Nixon's election and was provided with the names of five different committees—two in California and three in the East—in order to circumvent the national \$4,000 limit on individual contributions. He alleged that, on occasion, large sums had been delivered in cash, notably a substantial \$44,000 in \$50 bills said to have been sent to Washington by an unidentified Newport Beach businessman two years ago.

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He went on to say that Lincoln Club members spearheaded the Nixon-Agnew campaign. In Orange County, with some help from San Diego County, that provided the plurality for him to win California.

Other officers of the Lincoln Club who have given generously to Republican war chests, both national and local, are: J. Simon, chairman of the Nixon Foundation, and Carlson C. Morris, a financier, both vice-presidents of the club, and Walter Knott, the octogenarian founder of Knott's Berry Farm.

But the member of this financial elite who appears to have the highest standing at the White House is Kalmbach, a sandy-haired, conservatively dressed man of 50 known hereabouts as a judge of good horse-flesh.

He was vice-chairman of the Nixon-Agnew National Finance Committee under Stans in 1968 and is scheduled for the same role under Stans in this year's campaign. In fact, he already

is traveling much of the time on White House missions. Kalmbach handled the President's purchase of the 21-acre Hamilton cotton estate at San Clemente, on a bluff overlooking the Pacific, with a cash outlay of only \$949,000 for a property valued at nearly \$1.5 million. In the deal arranged by Kalmbach, without the President's name, ever having entered openly into the negotiations, the balance of nearly a million dollars will not come due until Nixon is out of office.

A Newport Beach businessman, not a member of the Lincoln Club, described Kalmbach as "a highly respected lawyer and citizen" whose law practice has mushroomed in the last four years "because of his well-known influence at the White House and his personal relationship with the President."

"If you have business with the government and you want a lawyer you go to Herb, but you can't talk with him for less than \$10,000," the businessman added. Since Nixon became President, the firm of Kalmbach, Demarco, Knapp & Chillingworth has expanded steadily with large suites of offices in the Newport Center complex here and also in downtown Los Angeles. New clients attracted to the firm include Flying Tiger Line, Dert Industries, United Air Lines, Travelers Insurance, the Marriott Corporation, the Music Corporation of America and the Nixon Foundation.

Bhutto: Clean-Up Man

By C. L. Sulzberger

ISLAMABAD—The man who has been summoned by destiny to assemble the wreckage of Pakistan after two decades of one or another form of dictatorship plus dismemberment of a disastrous war with India is a tall, quick-thinking, highly educated aristocrat with considerable inherited wealth and dramatic ideas about reducing the power hitherto enjoyed by the big landholding class—his own.

Zulfikar Ali Bhutto, only 44, has been an active figure since his return from university days at Oxford and California, having even risen to the rank of foreign minister years before the reins of government were placed in his hands. He is elegant, given to oratory and uninhibited prejudices, and at one time was suspected of deep-seated anti-American bias.

There is little of this evident now. The President makes no effort to conceal his gratitude to the United States for making a naval school of force during the recent Indian-Pakistan war, thereby (he says) warning both the Russians and the Indians against further efforts to disintegrate this country by massive invasion of the Western wing after the East had gone.

Daughter at Harvard

Indeed there is no real evidence that he was ever genuinely hostile to the United States, merely directing savage criticism at Washington when he thought the administration was being too kind to India. Not only did he himself attend the University of California, his daughter is studying government at Harvard and he hopes his son will enter the same institution.

He constantly reads American books. Two out of the three last volumes he perused were Dean Acheson's "Present at the Creation," which he admired, and Lyndon Johnson's "The Vantage Point," which he didn't. The third volume, incidentally, was Ghub Pasha's (Sir John Bagot Glubb) "Life and Times of Mohammed."

Bhutto is descended from a Rajput warrior of Hindu India. His family was converted to Islam in the 17th century and settled at Larkana in Sind, now Pakistan, where it acquired vast estates. The combination of noble heritage and a passion for social reform makes many other zamindars or big landowners regard him as a traitor to his class the way Franklin Roosevelt was seen by the American rich during New Deal days.

He doesn't try to define his personal ideology by a phrase, preferring to consider himself a reformer who has always been attacked by poverty and economic injustice. There's no point trying

Nixon and China

By James Reston

WASHINGTON—President Nixon is now on the verge of his historic voyage to China, and a lot of serious men are raising some questions about it. Former Under Secretary of State George Ball is saying that summit meetings in general are bad. The President's own former Ambassador to the United Nations, Charles Yost, is saying that summit meetings can be useful, but maybe this one to China will lose more in Japan and the Soviet Union than it will gain in Peking.

Well, it is too late for theories, since the journey is on, and anyway, it could be that the President's instinct to go to China, whatever the diplomatic doubts, whatever the political motives, whatever the dangers in Moscow, Tokyo, Saigon and the rest of Southeast Asia, was right.

It is not quite fair of the Democratic presidential candidates to charge Nixon with going to Peking solely for domestic political reasons. No doubt he thought of the effect of the China visit in election terms, and timed it just before the first presidential primary election in New Hampshire, when he could dominate the headlines and the television.

Went to Paris

But long before anybody was thinking about the presidential election of 1972, Nixon was thinking about the possibility of a reconciliation with China. Very soon after he came into the White House, Nixon went to Paris and told President De Gaulle that one of his primary objectives as President of the United States was to try to reach some kind of accommodation with Peking. De Gaulle was impressed with the sincerity of this remark by Nixon and instructed his ambassador in Peking to pass it on in confidence to the Chinese premier, Chou En-lai. I talked to the French Ambassador in Peking, Etienne Manac'h, last summer in the Chinese capital, long before there was any talk about Nixon's political motives in going to Peking, and he confirms the story: He had reported what Nixon said to De Gaulle, he felt that Chou En-lai was impressed with the accuracy of the report, and he was convinced that this confidential remark by Nixon to De Gaulle, among other Nixon private diplomatic initiatives, persuaded Chou En-lai to receive Dr. Kissinger and arrange the Nixon visit to Peking.

The question now is what is going to come out of this China journey, and again, the experts are extremely skeptical. Nixon gave a dinner this week for André Malraux, now in his 71st year, who has a long experience in China and was brought to the

White House presumably to brief the President on the China visit. If I heard Malraux accurately after the White House dinner, he has serious doubts. The leaders of China, he said, will have a critical question for Nixon: "Does the United States really have a policy for the future of the Pacific? Does Mr. Nixon have a clear intention and purpose about what is to be done in this vast area of the world between now and the end of the century?"

Malraux sounded very pessimistic—pessimistic about his own Europe, about the future of the Common Market, pessimistic about the clarity and purpose of the United States. He did not doubt the good intentions of the President who, he felt, had a "dream of historic destiny," but did he have a policy to achieve it, and what would Nixon reply when the Chinese asked him to define his policy for the future of Asia?

Malraux reminds one of Sir Ernest Salter, the expert on Asia in the British Foreign Office of the last generation. Whenever a young British diplomat was going out to the Far East, Sir Ernest used to tell him, do not waste your time worrying about what is in the Oriental mind; for all you know, there may be nothing in it you will be able to understand. Therefore the main thing is to be clear about what is in your own mind. What is in Nixon's mind, as he approaches Peking, may not meet the standard of precision Salter and Malraux had in mind, but his intuition and the trend of his thought is pretty good, and the leaders in Peking, who are always drawing a distinction between the "wicked" American government, and the "good" American people, should not be deceived.

For President Nixon has the overwhelming support of the American people and of the opposition parties and press for his effort to start talking to the Chinese about the future of the majority of the human race around the Pacific and its adjoining seas.

Malraux may very well be right, that Nixon dreams of a new political Nirvana in the East and has no policy to achieve it. But even Nixon, for whatever reasons, did begin long ago to trust that the United States and China should, at least begin to start talking again.

Nixon's Show

He is responsible for the present Sino-American discussions. He made the concessions on trade with China. He proposed that somebody go to Peking to arrange the summit meeting with Chou En-lai. And even if he didn't cover all his bases and consult in time with the Japanese, it is hard to fault him on the main objective of trying to bring the most populous and the most powerful nations in the world together.

Moscow and Tokyo have been rather unfair to Nixon about all this. He is merely trying to do in Asia what Willy Brandt did in Europe. He is reaching out for an accommodation with China, as Brandt did with the Soviet Union, and insisting on a recognition of the geographical and political facts. He may be playing politics at home with the Peking trip but mainly he is searching for a new discussion and a new order in the Pacific.

Hopefully, Chou En-lai will see this central point. There are many difficult questions to be discussed, and on Taiwan and Vietnam, there will probably be no agreement, but on the wider question of peace in the Pacific, and a new way of getting Washington, Peking, Moscow and Tokyo together for peace in the Pacific, which is really what Nixon has in mind, he has the overwhelming support of the American people.

Letters

Nick of Time

I see a Maryland legislator has drafted a law whereby a woman can no longer raise a man with legal impunity. (JEF Feb. 6.) God knows it was time! Women have their Betty Friedmans, the birds and bees their Rachel Carsons—and now we males have our protector.

Frankly, things have gotten so bad here I no longer dare go out at night unless accompanied. Take just last week for instance. That shapely brunette I met in the Plaza de Bruckner promised to drop me off at my apartment, and then...

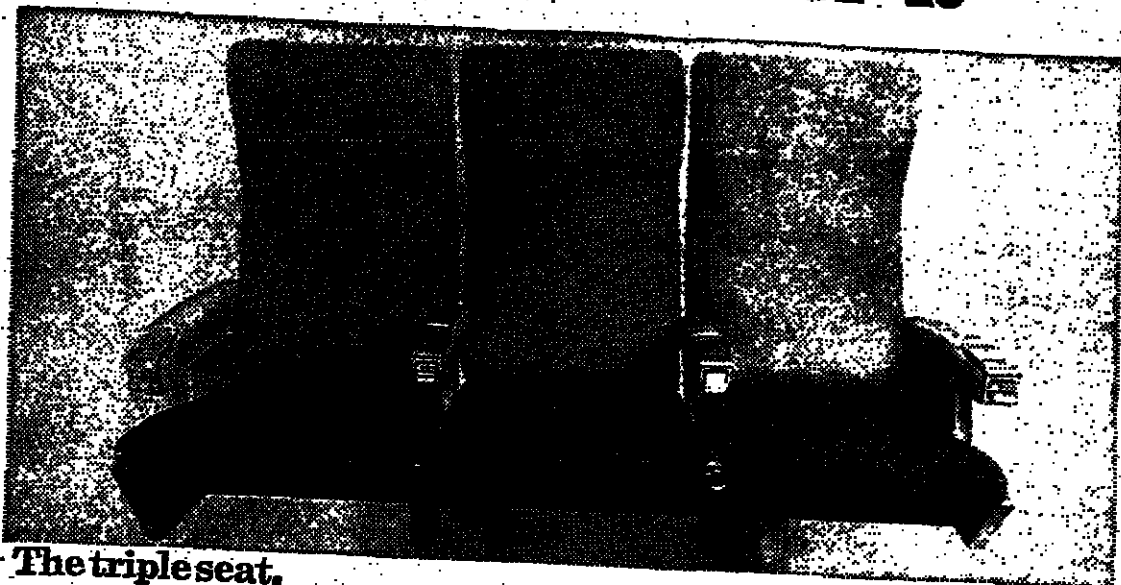
RAY BROWN.

Play Ball!

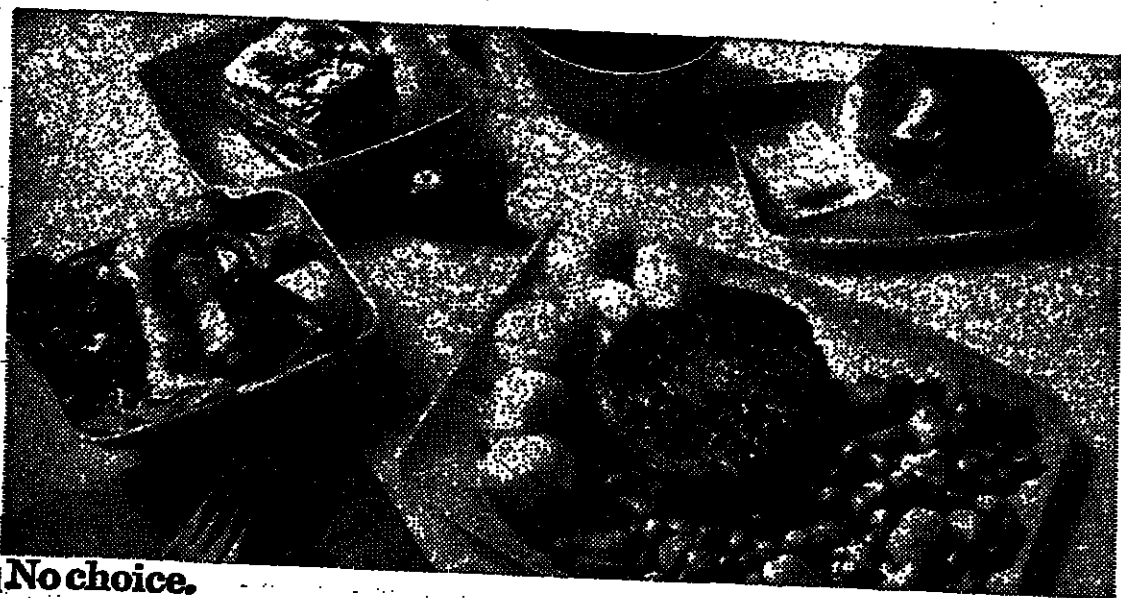
Oh God! I just want to read about baseball. When do the stories start?

HARLAN W. HAMILTON.
Poole, Dorset, England.
(The sports editor agrees. See today's sports page.)

WHAT YOU GET ON THE AVERAGE ECONOMY SERVICE TO AMERICA.



The triple seat.



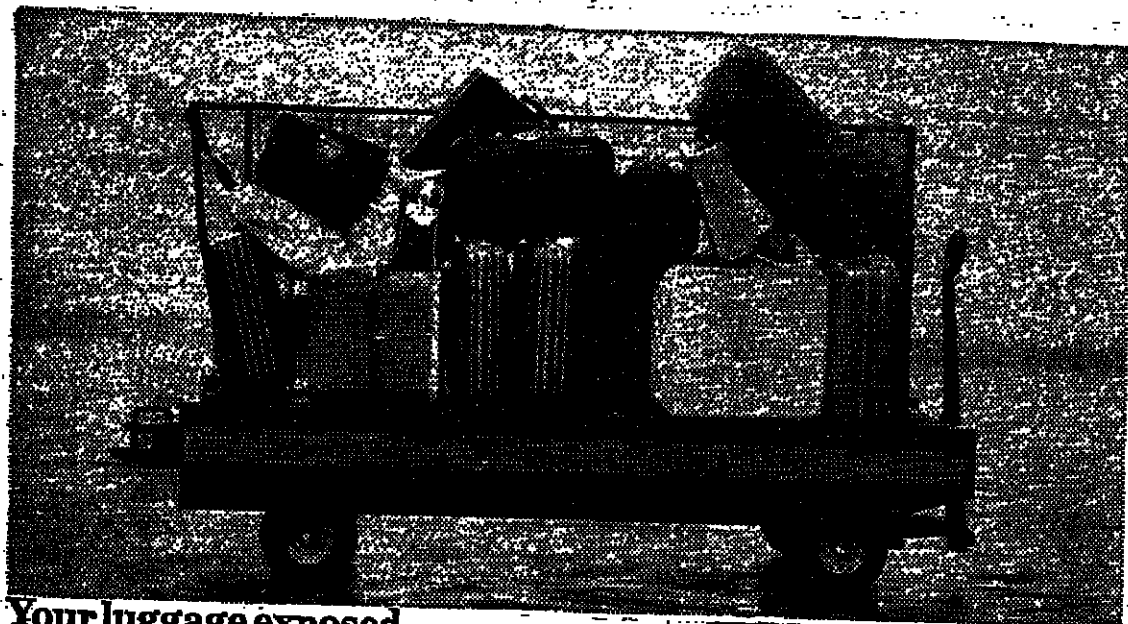
No choice.



One film, or no film.

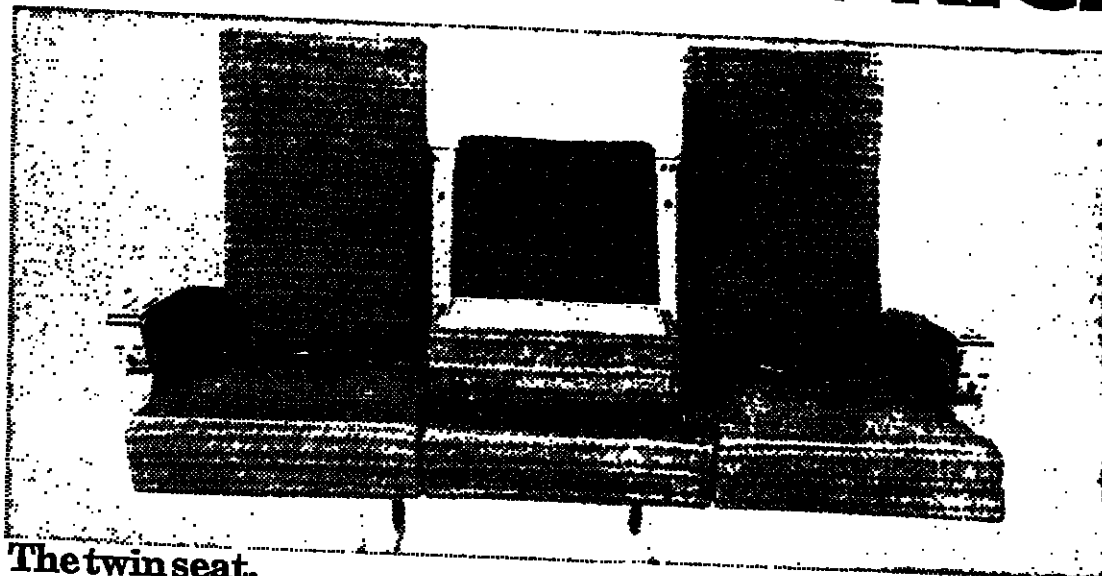


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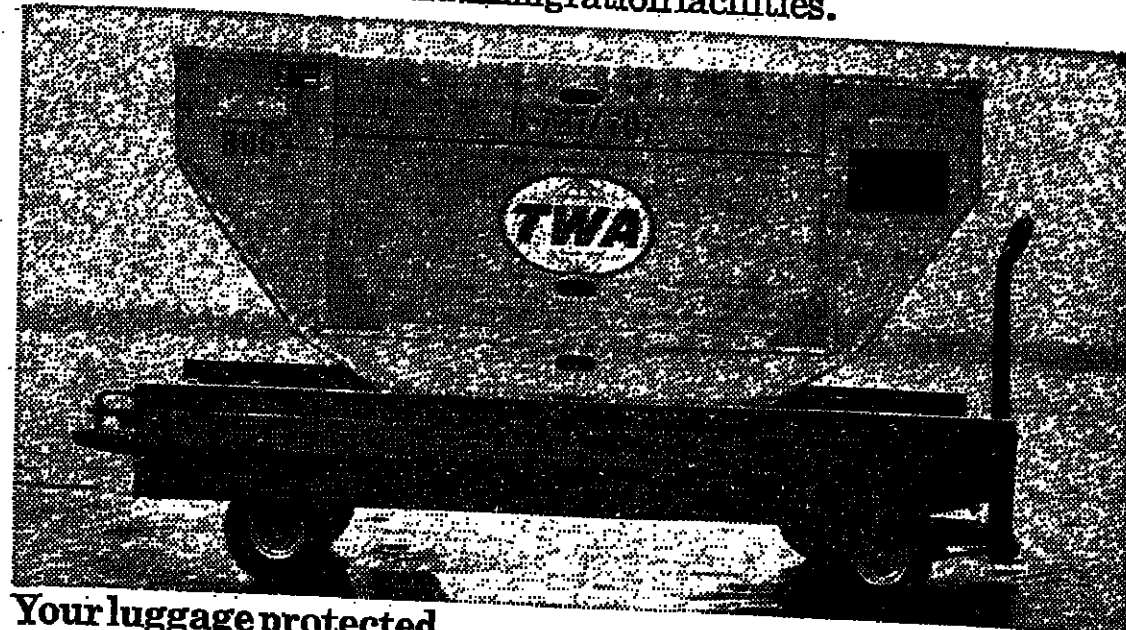
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PARIS, THURSDAY, FEBRUARY 17, 1972

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European Firms Weigh Close Aerospace Links

By John Fiehn

MUNICH, Feb. 16 (AP-DJ).—Major West European aerospace companies are discussing plans to merge into two large groups capable of competing with U.S. and Soviet aerospace giants, industry executives said today.

Closer collaboration of European industry in all major aerospace and high-technology projects is not only feasible but mandatory from a management, engineering and economic viewpoint, says Ludwig Bechler, chairman of Messerschmitt-Bölkow-Blohm (MBB), West Germany's largest aerospace company.

Dollar Drops On European Money Marts

PARIS, Feb. 16 (NYT).—The dollar was buffeted on European money markets today, reaching a post-realignment low in many centers.

Adding to its weakness was yesterday's report of a massive 1971 U.S. balance of payments deficit and today's comments by Treasury Secretary John B. Connally that a quick return to the dollar's convertibility was a remote possibility.

Neither report was surprising in the context of last year's currency crisis and official pronouncements following the Dec. 18 monetary realignment. But taken together, dealers said, they helped fuel a rush out of dollars.

Another depressing element was the Bundesbank's failure to provide any support for the dollar outside of a token \$5 million worth of purchases late in the day.

Some dealers thought the central bank was purposely staying out of the market in order to pressure Bonn officials into putting controls on German corporate borrowing abroad.

Against the deutsche mark, the dollar was quoted within one penny of its 3.15 DM lowest allowable rate. Against the free French franc it was within eight centimes of its lowest legal limit. In Amsterdam, the dollar was also quoted within a shade of the mandatory intervention level.

Even in Britain, where the coal strike and its implications had caused the pound to weaken earlier this week, the pound rose to \$2.605 from yesterday's \$2.5935. At the same time the price of gold, which had only recently retreated from its record \$49-ounce level a few weeks ago, advanced. The metal rose 30 cents an ounce in London to \$48.25 and was up 30 cents an ounce in Zurich at \$48.20.

One Dollar—

LONDON (AP-DJ).—The late or closing interbank rates for the dollar on the major international exchanges:

	Today	Previous
Swiss franc	2.055	2.0425
Belgian franc	43.925-926	43.725-925
Deutsche mark	3.163	3.1550-49
Danish kroner	6.9370-90	6.9350-50
Scandinavian	27.14-15	27.12-17
Free Fr. Fr.	5.075	5.0540-40
Quadrant	3.1720-25	3.1700-20
Israeli pound	4.20	4.30
Lira	986.40-50	987.20-70
Peso	68.20	68.51-52
Schilling	22.09-12	22.17-19
Sw. krona	4.7890-90	4.8025-25
Yen	3.8525-25	3.8615-15
Yen	303.85	304.05

New AT&T Chief

NEW YORK, Feb. 16 (Reuters).—John D. Debutis, 56, has been elected chairman of the board and chief executive officer of American Telephone & Telegraph Co. effective April 1, the company announced today. He succeeds H.I. Romnes, who is retiring.

Bonn Rejects Controls Plea

BONN, Feb. 16 (AP-DJ).—The Economics and Finance Ministry rejected today the Bundesbank's plea for controls to stem corporate borrowing outside West Germany.

The ministry, officials said, does not see any immediate need to apply the so-called cash deposit law under which the central bank can force resident firms to deposit part of the funds they borrow abroad with the bank at no interest as a quasi minimum reserve.

In its monthly report issued yesterday, the Bundesbank pleaded strongly for such controls, arguing that they would help lift the pressure against the dollar on local foreign exchange markets.

Unlike the Bundesbank, Bonn

Bonn Gets Control of Shipbuilder

West Germany's largest shipbuilding company has become a government-controlled concern. This results from the acquisition by the government-controlled Salzgitter company of the entire stock of Howaldtswerke-Deutsche Werft (HDW).

Nigeria Bars Further Oil Leases

Nigeria has announced that oil concessions will no longer be granted to private companies and that they will be reserved solely for the government-owned National Oil Corp. (NOC).

Pennsylvania Gets Reorganization Plan

Trustees of Penn Central Transportation reported that the bankrupt railroad can be successfully reorganized if certain conditions, which they say are beyond their control, are met.

'Main Power Plant in U.S. by 1980'

GM Said to Plan Family of Wankel Autos

DETROIT, Feb. 16 (Reuters).—General Motors hopes to go into mass production of Wankel rotary engine cars in 1974, according to informed auto industry sources.

GM has a five-year licensing agreement with the European Wankel patent holders.

GM is developing a complete family of cars to use the Wankel, the sources say. All would have a front-wheel drive system patterned after that successfully used on the Oldsmobile Toronado and Cadillac Eldorado luxury cars GM makes.

One would be a small car—probably a version of the Chevrolet Vega. The sources say GM is also planning Wankel engine models for the other four GM car divisions—Pontiac, Oldsmobile, Buick and Cadillac.

An indication of GM's present intentions is perhaps provided by Dr. David E. Cole, an associate professor of engineering at the University of Michigan and son of GM's president, Edward N. Cole. The younger Cole says, "I wouldn't be surprised to see 500,000 rotary engines operating throughout the country by the end of 1975, and by 1980 I wouldn't be surprised if it is the predominant power plant in the U.S."

GM is evidently out in front in development work on the Wankel. Ford, the only other U.S. firm with a Wankel license (actually held through its German subsidiary), challenges GM's reported plans. Executive vice-president William D. Innes said he does not believe the Wankel will be produced in significant numbers by a U.S. firm by 1974.

Japan's Toyota Motor Corp. is already in mass production of Wankels for its Mazda line of cars. The rotary engine is much smaller and has fewer parts than the conventional reciprocating engine used in present cars.

The report said U.S. operations accounted for 79 percent of total sales, with overseas units accounting for 13 percent and Canadian operations 8 percent.

Overseas Profit Fall
 DETROIT, Feb. 16 (AP-DJ).—GM disclosed in its annual report that overseas net income fell in

1971 despite record sales. It also said it plans to increase capital spending for 1972.

Overseas net income last year was \$103 million, down from \$118 million in 1970 and \$150 million in 1969. Sales overseas reached a record \$4.1 billion last year against \$3.7 billion in 1970 and \$4.3 billion in 1969.

GM said its capital spending budget will be about \$1.5 billion, up from \$1.012 billion in 1971, but still well short of its biggest spending year, 1968, when over \$1.3 billion was spent on capital outlays.

The company said about 80 percent of the 1972 spending will be in the United States, about the same percentage as in 1971.

The report said U.S. operations accounted for 79 percent of total sales, with overseas units accounting for 13 percent and Canadian operations 8 percent.

Spanish Egg Import Plot Could Hatch \$500,000 Fine

NEW YORK, Feb. 16 (AP-DJ).—A New York businessman was charged with hatching a plot to manipulate shell egg futures prices in a 48-count indictment filed against him by a federal grand jury. He faces maximum fines totaling half a million dollars if convicted on all counts.

John P. Bauer and Bauer International Corp., in which he is the sole shareholder, were charged with a scheme to have the news media publicize a purported arrangement to import from Spain 12 million dozen eggs which he extolled as having "a surprising low cholesterol content."

The alleged purpose of the news releases was to create publicity that would cause shell egg futures prices to decline on the Chicago Mercantile Exchange.

The defendant allegedly was trying to stave off a large loss he stood to suffer as a result of his short position in the market when shell egg prices were rising. His short position—selling contracts in hope they could be closed out later by purchases at a lower price—was held during November and December, 1969, and January, 1970, at the time of the alleged misrepresentations to the media, the indictment charged.

Curtis J. Hoxter Inc., the public relations concern that prepared Bauer International's releases, would not comment directly. Mr. Hoxter said his firm prepared releases based on information Bauer provided. "What can I say?" Mr. Hoxter asked. "It's the same old story, right?" His firm dropped Bauer International as a client more than 1 1/2 years ago, Mr. Hoxter said.

Important Changes Seen

U.K. Merger Code Revised

LONDON, Feb. 16 (AP-DJ).—Far-reaching changes have been made in the City code on takeovers and mergers, the panel that administers the code said today.

It said the code has been modified in the light of the experience of the panel in handling documents relating to nearly 1,200 takeovers or mergers since 1969.

One of the changes requires directors who recommend the lower of two offers to justify their decision.

Directors who wish to make an irrevocable commitment to accept an offer that transfers effective control must consult the panel before doing so, another rule states.

In another change, the code says that a party making an offer and who buys shares above his offer price must increase the price of the offer to not less than the highest price paid for the shares so acquired.

The code also says that shareholders and their associates who buy shares in an offer situation in order to build up a holding to defeat the offer are entitled to do so.

The working party that drew up the changes in the code is

Imports Hit Steel Industry Upturn in U.S.

Bethlehem Chief Says Inflow Is Still Heavy

BETHLEHEM, Pa., Feb. 16 (AP-DJ).—Imports are taking the snap out of the U.S. steel industry's projected recovery, Stewart S. Cort, Bethlehem Steel Corp. chairman, said today in explaining why steel shipments remain well below anticipated levels.

Shipments are inching up, he said, but the reason they are not more robust is due to continued heavy imports. Despite the West Coast dock strike, he said, January imports probably equaled the 1.3 million tons shipped into the country in December.

Delivery Shortfall
 He echoed previous estimates that industry shipments in the first quarter will be only 21.5 million to 22 million tons, below the 24.4 million tons shipped in the 1971 quarter.

He said it is still "plausible" that total 1972 shipments will reach the 94-million-ton level he was predicting two months ago. He said this figure, which represents an 8 percent growth from the 1971 level, is based on an anticipated decline in imports from last year's record 18.3 million tons to around 16 million tons.

However, that figure "will certainly" be exceeded unless a new quota agreement is reached soon between the State Department and Japanese and European producers, Mr. Cort said.

The Japanese firms, which last year only slightly exceeded the quota called for under the agreement that expired Dec. 31, are said to be ready to sign a new accord limiting the growth of their exports to 3.5 percent a year.

But KEC, which increased its U.S. shipments 67.4 percent last year, are still reluctant to set new voluntary limits, Mr. Cort said.

A meeting of European producers in Brussels next Tuesday may determine whether an agreement is possible this year, he said.

Company Reports

Alco Standard
 First Quarter 1971 1970
 Revenue (millions) 152.2 145.6
 Profits (millions) 2.13 4.12
 Per Share 0.18 0.37

El Paso Natural Gas
 Fourth Quarter 1971 1970
 Revenue (millions) 367.95 235.31
 Profits (millions) 18.41 3.55
 Per Share 0.61 0.07

Year
 Revenue (millions) 1,030.2 925.3
 Profits (millions) 37.0 332.75
 Per Share 1.36 1.04

Kellogg
 Fourth Quarter 1971 1970
 Revenue (millions) 154.5 145.2
 Profits (millions) 12.73 11.17
 Per Share 0.35 0.31

Year
 Revenue (millions) 677.1 614.4
 Profits (millions) 55.05 49.59
 Per Share 1.41 1.37

Whitpool
 Fourth Quarter 1971 1970
 Revenue (millions) 232.1 255.3
 Profits (millions) 10.0 9.59
 Per Share 0.84 0.94

Year
 Revenue (millions) 1,274.5 1,198.8
 Profits (millions) 50.29 35.82
 Per Share 4.24 3.01

French Trade Surplus Narrowed in January

PARIS, Feb. 16 (AP-DJ).—France's foreign trade surplus narrowed to 158 million francs in January, from surpluses of 173 million francs in December, and 282 million francs in January 1971, provisionally figures issued today by the Finance Ministry show.

Imports totaled 9,208 billion francs, down from 10,909 billion a month earlier, but up from 7,588 billion a year ago.

Exports totaled 9,366 billion francs, down from 11,083 billion a month earlier but up from 8,165 billion in January, 1971.

Good Economic News Lifts N.Y. Stock Prices

By Vartan G. Vartan

NEW YORK, Feb. 16 (NYT).—Prices broke out of a week-long consolidation pattern to score a substantial advance on the New York Stock Exchange today.

The Dow Jones industrial average, climbing steadily during the busy session, gained 5.53 to 222.94. In the process, it finished at the highest level in more than eight months, sporting the best closing figure since \$22.06 on June 7.

Generally, the news background was favorable. The rate of housing starts gained in January. The government has reported increases in both industrial output and personal income for January. And the exchange said that stock-market debt—a sign of growing investor participation in the market—continued to increase in January.

Also, Morgan Guaranty Trust cut its prime rate to 4 1/2 percent. Another prop to the stock

market was the strong tone to bond prices today.

It was a market that saw blue chips and low-price issues shake the limelight. Glamour stocks, generally the leaders in a climbing market, turned in a mixed performance.

Curtis-Wright, the volume leader, ran up 5 1/4 to 32. Over the last eight trading days, the stock has climbed a total of 14 1/8.

As the holder for the North American rights to the Wankel rotary engine, Curtiss-Wright was the object of considerable speculation on Wall Street. One was that General Motors might start producing Wankel engines in quantity for some of its 1974 model cars.

Turnover rose to 30.67 million shares from yesterday's 17.77 million.

Advancing groups included drugs, chemicals, gold, retailers and nonferrous metals.

Strong Blue Chips
 Strong blue-chip performers included Sears, Roebuck, up 2 1/4 to 105 1/4, Eastman Kodak, up 2 to 108, and Procter & Gamble, up 1 5/8 to 83 1/2.

Chrysler, rising 1 1/2 to 34 3/8 on the active list, reported a gain in car sales for early February. GM, showing a smaller sales increase, dropped 1 to 79 1/4.

Warner Communications, which has changed its name from Kinney Services, rose 2 1/4 to 43 3/8 in active trading.

Bosch & Lomb Jumps
 Among the higher glamour were Bosch & Lomb, up 3 3/4 to 135, and Walt Disney Productions, up 2 5/8 to 161. Whirlpool bounced 8 1/4 to 105 1/2 after reporting improved profits for 1971. On the downside by a point or more were Control Data, Memorex, Corning Glass and Natamex.

Meanwhile, prices on the American Stock Exchange and on the OTC market closed higher for the second consecutive session in stepped-up trading.

The exchange's price index finished up 0.26 at 27.53. In the counter market, the NASDAQ industrial index climbed 1.29 to 332.29.

NASDAQ actives included Rank 37 3/4, up 7/8, Cavanaugh, 9 1/2, up 1/2, Penn Offshore Gas, 9 3/4, off 1/8, and AT&T 43 7/8, up 1/8.

Turnover in the counter market expanded to 11.2 million shares from 9.7 million.

On the bond market prices rose through most of the session, closing at or near their best of the day. Corporates closed 1/2 point higher on the day. Government intermediates posted gains of 3/32 to 3/8 point.

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NEW ISSUE

February 16, 1972

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Amsterdam-Rotterdam Bank N.V.	Andersens Bank A/S	Arnhold & S. Bleichroeder, Inc.
Baer Securities Corporation	Banca d'America e d'Italia S.p.A.	Banca Commerciale Italiana
Banco di Roma / Commercianti AG / Credit Lyonnais	Banca Mees & Hope NV	Banque de Benelux S.A.
Bankhaus Hermann Lampe K.G.	Bankhaus Friedrich Simon K.G.A.A.	Banque de Benelux S.A.
Banque de Bruxelles S.A.	Banque Francaise du Commerce Extérieur	Banque Generale du Luxembourg S.A.
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Continental Bank S.A.	Cosmos Bank (Overseas)	Credit Commercial de France
Credit Suisse (Bahamas)	Creditanstalt-Bankverein	Credito Italiano
Den Danske Landmandsbank	Deutsche Bank	Deutsche Girozentrale
Dillon, Read Overseas Corporation	Dresdner Bank	Edicentro S.p.A.
Fellesbanken A/S	Finacor	Fleming, Suez, Brown Brothers
Goldman Sachs International Corp.	Gutzwiller, Kurt, Buegener Securities	Handelsbank in Zurich (Overseas)
Hill Samuel & Co.	Kansallis-Osake-Pankki	Kidder, Peabody & Co.
Kleinwort, Benson	Kredietbank N.V.	Kredietbank S.A. Luxembourg
Kuwait Foreign Trading, Contracting and Investment Company	Kuwait Investment Co. S.A.K.	Lehman Brothers
Lloyds & Botsa International Bank	Manufacturers Hanover	Merck, Finck & Co.
B. Metzler seel. Sohn & Co.	Model, Roland & Co., Inc.	Sammel Montag & Co.
Nordic Bank	Norddeutsche Landesbank Girozentrale	Nordiska Foreningsbanken Ab
Sal. Oppenheim jr. & Cie.	Orion Bank	Peterbroeck, van Campenhouet Securities S.A.
Privatbanken i Kjobenhavn	N. M. Rothschild & Sons	Rowe & Pitman
Schoeller & Co.	J. Henry Schroder Wagg & Co.	Skandinaviska Enskilda Banken
Société Générale	Société Générale de Banque S.A.	Strauss, Turban & Co.
Svenska Kreditbank	Swiss Bank Corporation (Overseas)	Union Bank of Switzerland (Underwriters)
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S. G. Warburg & Co.		

American Stock Exchange Trading

1971-72 Stocks and Bonds										1971-72 Stocks and Bonds										1971-72 Stocks and Bonds									
High	Low	Div.	1971-72	Stocks and Bonds	High	Low	Div.	1971-72	Stocks and Bonds	High	Low	Div.	1971-72	Stocks and Bonds	High	Low	Div.	1971-72	Stocks and Bonds	High	Low	Div.	1971-72	Stocks and Bonds					
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168	3%	Abco	14.00	14.00	14.00	168	3%	Abco	14.00	14.00	14.00	168	3%	Abco	14.00	14.00	14.00	168	3%	Abco	14.00	14.00	14.00	168	3%	Abco			
169	3%	Abco	14.00	14.00	14.00	169	3%	Abco	14.00	14.00	14.00	169	3%	Abco	14.00	14.00	14.00	169	3%	Abco	14.00	14.00	14.00	169	3%	Abco			
170	3%	Abco	14.00	14.00	14.00	170	3%	Abco	14.00	14.00	14.00	170	3%	Abco	14.00	14.00	14.00	170	3%	Abco	14.00	14.00	14.00	170	3%	Abco			
171	3%	Abco	14.00	14.00	14.00	171	3%	Abco	14.00	14.00	14.00	171	3%	Abco	14.00	14.00	14.00	171	3%	Abco	14.00	14.00	14.00	171	3%	Abco			
172	3%	Abco	14.00	14.00	14.00	172	3%	Abco	14.00	14.00	14.00	172	3%	Abco	14.00	14.00	14.00	172	3%	Abco	14.00	14.00	14.00	172	3%	Abco			
173	3%	Abco	14.00	14.00	14.00	173	3%	Abco	14.00	14.00	14.00	173	3%	Abco	14.00	14.00	14.00	173	3%	Abco	14.00	14.00	14.00	173	3%	Abco			
174	3%	Abco	14.00	14.00	14.00	174	3%	Abco	14.00	14.00	14.00	174	3%	Abco	14.00	14.00	14.00	174	3%	Abco	14.00	14.00	14.00	174	3%	Abco			
175	3%	Abco	14.00	14.00	14.00	175	3%	Abco	14.00	14.00	14.00	175	3%	Abco	14.00	14.00	14.00	175	3%	Abco	14.00	14.00	14.00	175	3%	Abco			
176	3%	Abco	14.00	14.00	14.00	176	3%	Abco	14.00	14.00	14.00	176	3%	Abco	14.00	14.00	14.00	176	3%	Abco	14.00	14.00	14.00	176	3%	Abco			
177	3%	Abco	14.00	14.00	14.00	177	3%	Abco	14.00	14.00	14.00	177	3%	Abco	14.00	14.00	14.00	177	3%	Abco	14.00	14.00	14.00	177	3%	Abco			
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Mutual Funds

[illegible][illegible]

Montreal Stocks

[illegible]

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4.79
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11.85
12.26
14.13
16.32
15.99
15.43
15.50

De

Sales

Profits before taxation

Profits after taxation

(1) The above figures are in
Japan; consolidated figures

(2) A dividend of yen 3 per
share payable during the year

12.57
12.97
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11.13
11.13
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7.50
7.48

84
9.07
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1575	Wright	Can	20 1/4	19	20
9700	Weston		17 1/2	17 1/4	17
600	White	Pass	11 3/4	11 1/2	11

1959 Woodward		1958		1957		1956	
MINES							
300 Agricola	2.22	2.22	2.22	2.22	+1		
1900 Asper	2.25	2.75	2.75	2.75			
1315 Bell	2.05	2.05	18.00	18.00			
700 Brenda	3.00	4.95	4.95	4.95		-.05	
3600 Caninto	3.35	3.35	3.35	3.35	+1		
400 Cam Tung	1.50	1.47	1.47	1.47		-.01	
1340 Casler	20.00	19.07	20.00	20.00		+1.25	
7745 Carver	2.45	2.40	2.43	2.43		+0.02	
2154 Coddler	2.20	2.75	2.80	2.80		+1.00	
400 Copper	1.28	1.28	1.28	1.28		+0.02	
1800 Dorr	1.85	1.85	1.85	1.85		+0.03	
4700 C. Fambler	1.65	1.60	1.65	1.65		+0.03	

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Six months ended

1971	1971	1970
December 31	June 30	December 31
(millions of yen)		
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941	7,519	2,550
496	723	1,215

figures which have been published in
will be available in April 1972.

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with a dividend of yen 3-3/4 per
preceding six-month periods.

February 9, 1972.

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200 Forward	2.00	7.50	7.50	-30

[illegible]

2240 Teck A	5.19	5.00	5.00	1.19
302 Teck B	4.65	4.50	4.50	1.15
15402 Un Siscoe	1.54	1.48	1.48	1.03
2100 Un Can	2.05	2.00	2.05	1.05

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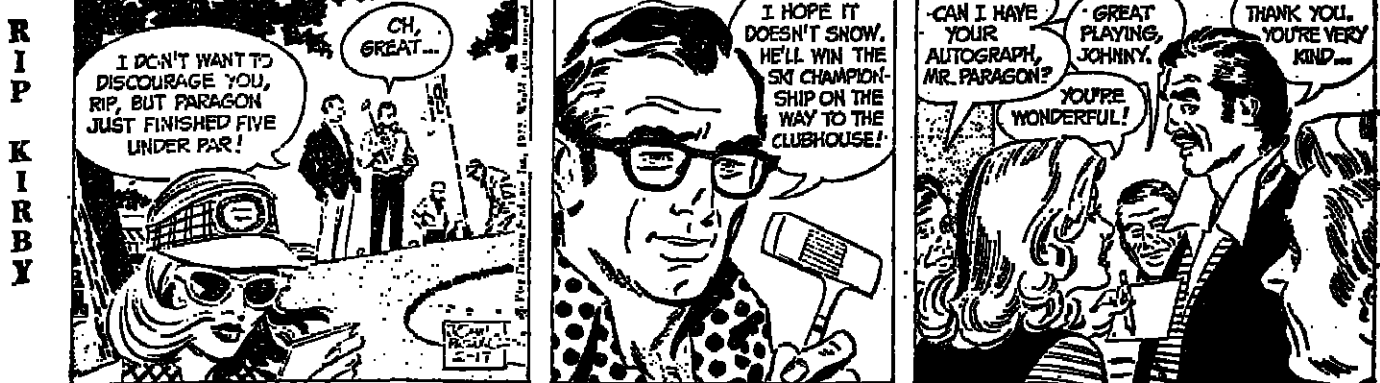
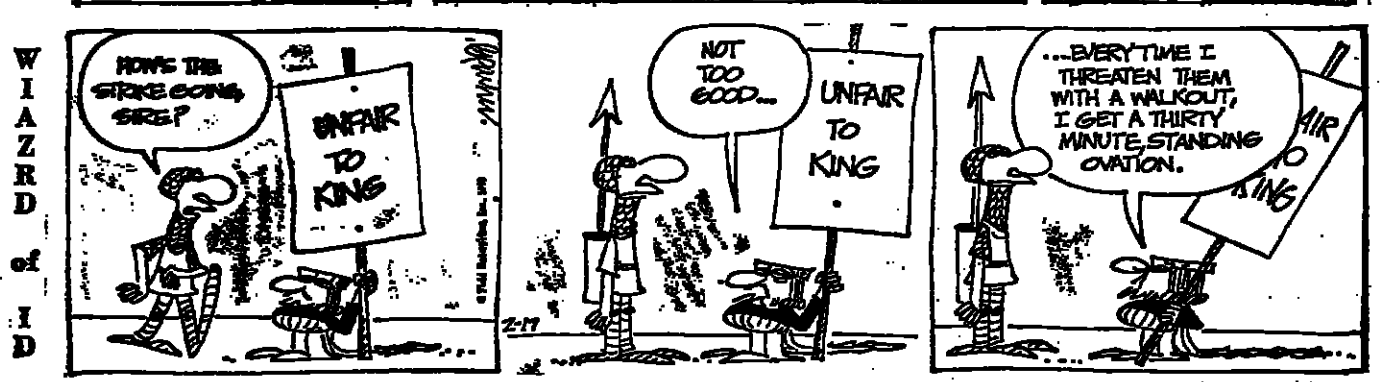
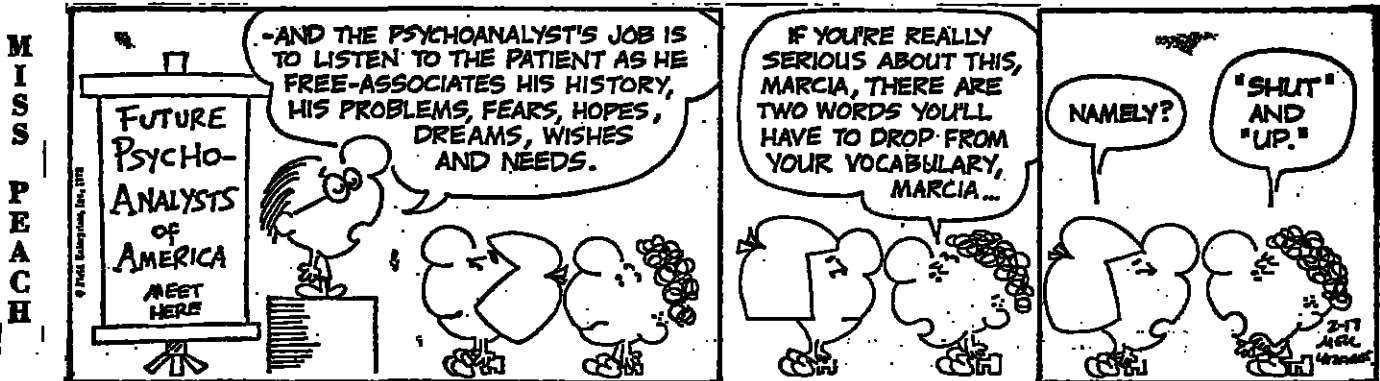
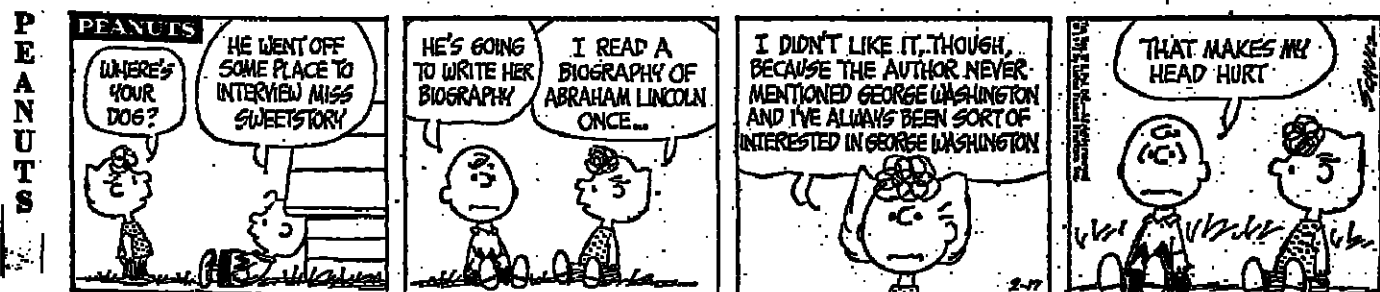
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BLONDIE



BRIDGE

By Alan Truscott

Player-writer José Le Dentu of Paris fell into a strange Corsican trap when the diagrammed deal recently was played in Bastia. Le Dentu held the East cards.

The Corsican South opened one club with a hand on which some would prefer one diamond, and West made a take-out double where many would overcall in hearts.

For reasons known to himself, North jumped to two hearts and East bid two spades, after considering the other possibilities: a penalty double, a jump to three spades, two no-trump, or a cue-bid in one of the opponent's suits.

South rebid his clubs and West passed, no doubt discouraged by what he supposed to be a long, strong heart suit on his left. To his astonishment North rebid hearts and East doubled.

South then introduced his diamond suit, locating his side's best fit at the four-level. When

this came around to East, he did his best to figure out what was going on. He could not fashion South's diamond bid, but he could trust his partner's take-out double. West presumably held three spades, four hearts and at least three diamonds.

East therefore doubled, four diamonds, and turned green when he saw the dummy. Something was rotten in the State of Corsica, and he clearly was the victim.

West won the first trick with the spade king and shifted to the heart ace. South, ruffled, drew two rounds of trumps ending in dummy and finessed in clubs. Dummy was entered with another trump lead, and another club finesse settled matters.

Dummy's spade losers disappeared on clubs, and the declarer made in all six club tricks and six trump tricks.

East was contemplating a complaint to the director, the tournament committee, the French Bridge Federation or the United Nations when his partner took him aside and solved the mystery. "North thought his partner had opened one heart," he whispered.

NORTH
 ♠ 852
 ♥ 3785
 ♦ KQJ2
 ♣ 32

WEST
 ♠ KQ109
 ♥ AQ10884
 ♦ 6
 ♣ 104

EAST
 ♠ AJ74
 ♥ K32
 ♦ 1085
 ♣ K82

SOUTH (D)
 ♠ 63
 ♥ AQ745
 ♦ AQJ765
 ♣ 10

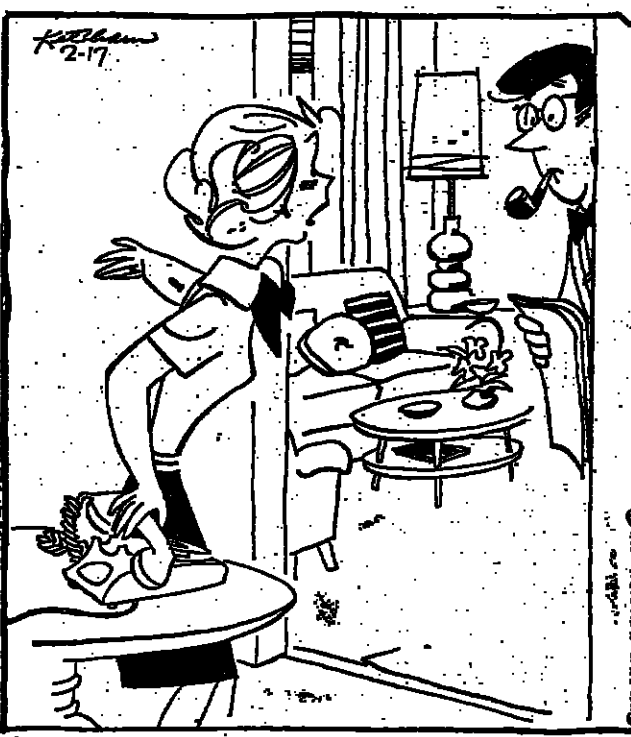
Both sides were vulnerable.

The bidding:
 South West North East
 1 ♣ Dbl 2 ♥ 2 ♣
 3 ♣ Pass 3 ♥ Dbl
 4 ♦ Pass Pass Dbl
 Pass
 West led the spade king.

Solution to Previous Puzzle

S	A	I	L	E	T	O	R	E	S
E	M	M	A	L	A	K	E	S	
A	B	E	R	O	R	A	R	E	S
K	I	N	G	K	I	O	N	G	
E	N	D	S	A	I	D			
T	H	E	R	A	T				
O	E	H	A	R	I	D			
N	I	E	V	E					
G	O	R	I	L	A	S			
D	I	O							
C	I	E	L	O					
I	R	O	N						
O	N	I	O						
E	R	E							

DENNIS THE MENACE



JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

TUINY

HERIK

SOYSIF

FLATUR

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print the SURPRISE ANSWER here

Yesterday's Jumble: GUILTY DEMON VERBAL PIRACY

Answers: How the road gang entertained the drivers—BY DIVERTING THEM

BOOKS

THE PRODUCER

By Christopher Davis. Illustrated. Harper & Row. 321 pp. \$8.95.

Reviewed by Anatole Broyard

SOMETIMES, in the theater, the people who never appear on stage do more acting, are more theatrical, than the actors—and the story behind the play is more dramatic than the play itself. Although I have not seen the musical "The Rothschilds," I'm sure, from the descriptions of it in "The Producer," that it cannot live up to its labor pains. Nor can its ripest role compete with the part played by Billy Eckstine, its producer and the principal subject of this very good book.

Mr. Eckstine is one of those inspired manics only America seems to produce, a man who shuttles between the sublime and the ridiculous as if he were immune to such distraction. One moment he is a superbly analyzed, the state of theater today: "Broadway has been very much, with some notable exceptions, a rear-view mirror. It's been reflective of the society rather than involved in following it. It's in a tough position because it's alienated over the years the younger audience, and it's tried and disappointed in a large measure the older audience."

From this, he can switch, without transition, to: "What did you put on the brown patent leather shoes?" Or he can ask his builder—who is constantly remodeling a town house Eckstine only rents—to tighten a loose screw on the doorknob of his bedroom, to do something about the trim on the sauna, to put up a towel dispenser.

Billy Eckstine spent seven years helming "The Rothschilds" to Broadway, and Christopher Davis observed him during the last year and a half. Mr. Davis is a first-rate novelist whose last book, "A Peep Into the 20th Century," seemed just about perfect to me when I reviewed it a few months ago. For insurmountable reasons of his own, he wanted to do a book about a producer—just as his last book was about the electric chair.

The idea could have been a bore or a total loss—in spite of Mr. Davis's talent—but luck delivered Billy up to him, and vice versa, after several other producers had refused. As usual, Mr. Eckstine's instinct was good. Mr. Davis has drawn a picture of him that is so persuasive it's hard to tell whether he is a hero or a villain or both. He's extremely complex, Billy is both more and less human than most men. He has a knack for summing people up, for guessing their psychological weight, that is frightening. He sees everybody naked, clothed only in his or her ego; it is not surprising that he produced "Oh! Calcutta!"

Billy's style of speech is sometimes so elliptical as to sound like half of a counterpoint whose other half you have to supply yourself. He does to speech what hop soloists like Sonny Rollins and John Coltrane did to melody. His talk reminds us of Freud's famous iceberg image for con-

sciousness: Nine-tenths of it is below the surface. Before "The Rothschilds," Mr. Eckstine had produced "Golden Boy," with Sammy Davis Jr., "Oh! Calcutta!" and the movies "A New Leaf," with Elaine May and Walter Matthau, and "Alice's Restaurant," starring Arlo Guthrie and directed by Arthur Penn.

Like "Golden Boy," "The Rothschilds" is produced with great difficulty and only by virtue of Billy's stubbornness and financial wizardry. A ghetto boy himself, he says he had to work it out of his system this way. After Billy, the process of producing a musical—or at least this musical—is the most fascinating subject. We see the competition for the rights to Frederick Morton's book, various treatments being milled by Mr. Morton himself, by Wolf Mankowitz, and others until the "right" man, Sherman Yellen, is found. He is a pipe-smoking TV writer with an MA in English, who had no idea when he began that he was to spend four years writing and rewriting "The Rothschilds."

The difficulty is "to translate the chronicle of a family banking business, that spanned 180 years, includes in its range all the nations of Europe, and influenced most of the events of Western history since Napoleon came to power, into a frame for song, drama and dance, and then to have all of that mean something." The "meaning" evolves from an attack on the velocity of capitalism into a "universal" drama of all the poor—particularly blacks—working their way up the social and economic ladders.

The idea is to draw contemporary parallels, but this later has to be lightened because of its heavy didacticism. The five Rothschild brothers are shown to be ruthless at times, but it is a ruthlessness that's thrust upon them by history. A variety of celebrated theater people are invited to criticize the play in progress, and some of these criticisms lead to changes. One director leaves and another takes over; the choreographer is replaced; other writers are hired to do additional material; nobody believes the play will open but Billy.

After so much overkill for what is after all only an evening of middle-brow entertainment, one might expect "The Rothschilds" to be either awful or wonderful—but, in Mr. Davis's and in Billy's own view, it is neither. It is OK, all right, not bad, a pleasant enough affair. All the egos that went into it seem to have detoxified one another through some mysterious show-business alchemy, and what we have is simply another Broadway production. There's a moral in this, but if you don't mind, I'd rather leave the didacticism to you.

Mr. Broyard is a New York Times book reviewer.

CROSSWORD

By Will Weng

- ACROSS**
- 1 Volcanic castings
 - 7 Musical instrument
 - 12 Daniel Webster specialties
 - 14 Leak out
 - 16 Third Crusade leader
 - 17 Eras
 - 18 Cuttlefish cover-ups
 - 19 Music for nine parts
 - 21 Revue turn
 - 22 Concert
 - 23 Aries
 - 24 G.S.S. heroine
 - 25 Stroke in golf
 - 27 facade
 - 28 Platoon, for one
 - 30 Blood condition: Suffix
 - 32 Grain bristles
 - 34 Evident
 - 35 American artist
 - 36 Silver and sockeye
 - 38 Mournful song
 - 39 Liberal
- DOWN**
- 40 Man o' War, Citation, etc.
 - 42 Imposing
 - 45 Deface
 - 46 Month: Abbr.
 - 47 One, in Nantes
 - 48 "—can look at a king"
 - 50 Christmas and Easter items
 - 52 Famed lioness
 - 53 Squirrel or beaver
 - 55 Flowering trees
 - 57 Loss of ability to read
 - 58 British streetcar track
 - 59 Chemical compound
 - 60 Sword-shaped
 - 1 Source of salad greens
 - 8 Egyptian cobra
 - 9 Army men: Abbr.
 - 10 Woodland plant
 - 11 Snake
 - 12 Kind of window
 - 13 Biblical
 - 15 Social rank
 - 20 Jane Austen novel
 - 26 Swarms
 - 27 Bobbins
 - 28 Upbeat, in music
 - 29 Custom
 - 31 Chinese leader
 - 33 Your: Ger.
 - 34 Equestrian maneuver
 - 36 Fruit of the elm
 - 37 Kind of swipe
 - 38 Prevalent
 - 41 Respond
 - 43 Lacking logic
 - 44 End
 - 49 School book
 - 50 Rigol, for one
 - 51 Laurel
 - 52 Miss Cinderella of comic
 - 54 Never: Ger.
 - 56 Times of day

